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Promotional Enhancement Theory:  
A Model for Designing Promotions That Enhance Brand Evaluations

by

Brian C. Tietje

A dissertation submitted in partial fulfillment  
of the requirements for the degree of

Doctor of Philosophy

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1999

Program Authorized to Offer Degree:  
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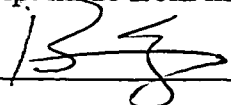
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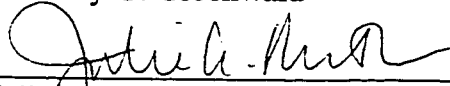
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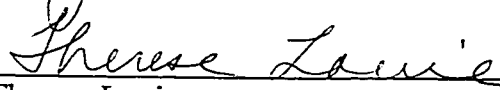
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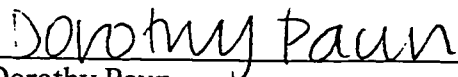
  
Richard F. Yalch

Reading Committee:

  
Anthony G. Greenwald

  
Julie A. Ruth

  
Therese Louie

  
Dorothy Paun

Date: 6-1-99

University of Washington

Abstract

Promotional Enhancement Theory:  
A Model for Designing Promotions That Enhance Brand Evaluations

by Brian C. Tietje

Chairperson of the Supervisory Committee  
Professor Richard F. Yalch  
Department of Marketing and International Business

It is commonly argued that although sales promotions effectively influence initial brand choice, they may ultimately undermine brand evaluations and repurchase intentions. Prior experimental results demonstrate that under certain conditions, persons who receive a reward for selecting a product exhibit less favorable product evaluations than persons who are offered no reward. These findings conflict with the common wisdom of marketers who use promotions extensively. Either marketers are unconcerned with long-run effects or sales promotions may not have the detrimental effects on brand evaluations predicted by past research.

The current research program focuses on positive promotional effects whereby product evaluations are enhanced by rewards. I apply availability valence theory (Tybout, Sternthal and Calder 1983; Hannah and Sternthal 1984) to a reward context and delineate the psychological processes that lead to enhancement effects. I also synthesize empirical evidence from prior research that is consistent with the availability valence explanation. I then construct a theoretical framework termed Promotional Enhancement Theory that links the theoretical concepts from availability valence theory with promotional execution tactics to explain and predict how promotional factors can enhance consumer product evaluations.

Initial testing of Promotional Enhancement Theory focuses on how the timing and source of promotions impact product evaluations. A reward timing effect was obtained in Study 1 whereby persons who received an immediate, pre-evaluation reward for choosing a new product reported higher product evaluations than persons who received either no

reward or a promised-but-delayed reward that was distributed after product evaluations. Furthermore, the delayed reward undermined evaluations relative to the no-reward condition, presumably due to the enhanced task-contingency of the delayed reward. Study 2 demonstrated that immediate rewards do not enhance product evaluations when the source of the reward is unrelated to the product, suggesting that promotions elicit a favorable evaluation of a product only when the information they provide is considered product relevant. These results suggest that promotions can enhance product evaluations when they elicit consumer perceptions of marketer goodwill and minimize the salience of a promotion's task-contingency by maximizing consumer behavioral freedom.

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## INTRODUCTION

Consumer sales promotions (CSPs) are used extensively in the packaged goods industry, particularly in mature product categories and competitive markets (Papatla and Krishnamurthi 1996; Huff, Alden and Tietje 1998). Witness the 5.3 billion coupons redeemed in the U.S. with a retail value of \$3.7 billion in 1996 (NCH Nuworld Marketing Limited 1997); the \$2.3 billion spent on sweepstakes in 1995 (Shea 1996); and estimates that 90%, 79%, and 76% of consumer packaged goods marketers use cents-off promotions, premium offers, and money back offers, respectively (Cox Direct 1997). Consumer promotion expenditures often exceed spending on media advertising, and a considerable portion of trade promotion expenditures are used to secure channel support of consumer promotions such as retail price discounts (Chevalier and Curhan 1976; Blattberg and Levin 1987; Shimp 1997).

CSPs are used to achieve several promotional objectives, most notably to influence consumption-related behaviors such as purchase timing and quantity, store patronage, and brand choice (Gupta 1988; Currim and Schneider 1991). But while prevalent definitions of sales promotions tend to confine CSP's role strictly to behavioral objectives (Blattberg and Neslin 1990), promotions are also associated with psychologically-based outcomes such as brand awareness and evaluations, consumer interest and excitement (Aaker 1991; Chandon, Laurent and Wansink 1997; Shimp 1997; Huff et al. 1998). In this research, consumer sales promotions are defined as temporary rewards that enhance the perceived value of a purchase option by either providing additional economic, hedonic, or symbolic benefits or reducing the costs incurred by the

consumer. Despite their widespread use and demonstrated effectiveness for influencing initial brand choice, the trade and academic researchers have criticized promotions for their potential damaging effects on brand equity and consumer loyalty (Jones 1990; Narisetti 1996; Papatla and Krishnamurthi 1996). Empirical results from several studies reveal the troubling paradox that rewards may increase the likelihood of initial brand choice but undermine subsequent product evaluations. Self-perception theory (Bem 1972) and attribution theory's discounting principle (Kelley 1972) have been applied to these findings to suggest that when promotions influence initial brand choice, consumers later discount their evaluative assessments of the promoted brand. This research has contributed to a contemporary perspective in marketing that the frequent and widespread use of consumer sales promotions in the marketplace conflicts with efforts to build and enhance brand equity.

Largely ignored in this perspective are many studies that demonstrate enhancing effects in which intrinsic motivation (in social psychology research) and product evaluations (in consumer behavior research) are higher in the presence versus absence of rewards. I integrate these findings with availability valence theory (Tybout et al. 1983; Hannah and Sternthal 1984) and other reward theories to explain how and predict when rewards will undermine recipient response, and when rewards will enhance said reactions. I apply this integrated theoretical approach in a sales promotion context to explain and predict when and how promotions will undermine or enhance short and long term consumer choice behaviors and brand evaluations. I formulate and test a theoretical account, termed Promotional Enhancement Theory, to demonstrate how promotional

factors such as redemption timing and the source of a promotion impact consumer product evaluations. I then discuss the theoretical and managerial insights that have been gained from these dissertation findings, and provide a road map for future research that can further delineate how promotions can be used to enhance brand evaluations.

The first chapter of this dissertation describes the paradox of promotional effects that has emerged from previous sales promotion research. The second chapter critically reviews theories that explain why promotions undermine post-promotion sales and product evaluations, delineates the limiting conditions for undermining effects, and provides empirical evidence of enhancement effects from prior research. The third chapter demonstrates that the availability valence hypothesis provides an integrative theoretical approach that accounts both for the undermining and enhancement effects that rewards can have on attitudinal evaluations. The fourth chapter presents Promotional Enhancement Theory as a link between the information availability hypothesis and promotional execution in the marketplace. Chapter 5 presents empirical tests of Promotional Enhancement Theory, and the subsequent chapters discuss the implications and limitations of this dissertation research, and opportunities for future investigation.

## **THE PARADOXICAL EFFECTS OF CONSUMER SALES PROMOTIONS**

Contemporary sales promotion research has focused primarily on the potential negative effects of promotions on brand attitudes and purchase loyalty to suggest that despite its effectiveness for influencing initial brand choice, the frequent and widespread use of consumer sales promotions in the marketplace conflicts with efforts to build and enhance brand equity (Jones 1990; Boulding, Lee and Staelin 1994; Papatla and Krishnamurthi 1996; Mela, Gupta and Lehmann 1997; Mela, Gupta and Jedidi 1998). In the next few sections, the paradoxical effects of sales promotions on initial brand choice and post-promotion evaluations and product sales will be delineated, as will some of the theoretical perspectives that have been used to account for these effects. This discussion sets up the primary research challenge of this dissertation and leads into the development of an integrative theoretical approach that potentially rectifies this paradox.

### **Rewards Have Positive Effects on Initial Brand Choice**

There is unequivocal empirical evidence that monetary promotions have a positive impact on consumer brand choice behavior. Table 1 summarizes the research which has demonstrated conclusively that price deals and coupons increase the likelihood of initial brand choice and positively impact product sales, market share, and other outcomes (see also Blattberg, Briesch and Fox 1995 for a review regarding price deals).

The generalization that promotions have a positive impact on consumer behavioral response assumes that the promotions offer sufficient economic, symbolic, or hedonic value to influence brand choice. One study demonstrated that if a promotion is

perceived to have little or no value to a large segment of the market, aggregate choice likelihood may be lower in the presence of a promotion, presumably because consumers perceive the promotion as an “unnecessary feature” and use it as a reason not to choose the promoted product (Simonson, Ziv and O'Curry 1994). Future research is necessary to determine if promotions other than coupons and price deals, e.g., premiums, sweepstakes, and rebates, have sufficient perceived value to increase choice likelihood.

The purpose of this research is not to test whether promotions influence initial brand choice. The empirical evidence appears unequivocal that most promotions, particularly monetary promotions, do have a positive impact on consumer choice. This study will investigate how brand choice in the presence of a promotion impacts product evaluations relative to brand choice in the absence of a promotion, because the resultant attitudinal assessments of a brand will influence future purchase intentions and repurchase behaviors – behavioral outcomes related to brand equity.

### **Undermining Effects on Repurchase and Evaluations**

Although there is strong support for the proposition that promotions favorably influence initial brand choice, some research claims that promotions also yield negative effects including post-deal troughs in sales, lower repeat purchase rates, and less favorable product evaluations. A post-deal trough is defined by Blattberg et al. (1995) as “the reduction in product sales following a promotional period due to changes in consumer purchase behavior as a result of a promotion (p. G124)”. Some studies provide evidence that aggregate sales of a brand are lower after versus before a promotional

period (Blattberg, Eppen and Lieberman 1981; Neslin, Henderson and Quelch 1985; Jain and Vilcassim 1991; Papatla and Krishnamurthi 1996). Theoretical accounts for these temporary effects on post-deal sales include consumer inventory stockpiling and purchase acceleration, as well as brand switching among deal-prone consumers – all of which will be discussed shortly.

Studies have also tested the effects of promotions such as price deals and coupons on price and promotional elasticities, brand evaluations, and repurchase rates. Some studies have obtained behavioral outcomes whereby product repurchase rates are lower after versus before a promotional period (Doob et al. 1969; Scott 1976; Shoemaker and Shoaf 1977; Dodson, Tybout and Sternthal 1978; Neslin and Shoemaker 1989), and attitudinal outcomes in which brand evaluations are lower in the presence versus absence of a promotion (Scott and Yalch 1978). Empirical generalizations from these findings are equivocal, since other research has found either no evidence for such negative promotional effects or positive effects under certain conditions (Scott and Yalch 1978; Tybout and Scott 1983; Moriarty 1985; Lattin and Bucklin 1989; Kahn and Louie 1990; Chakraborty and Cole 1991; Davis, Inman and McAlister 1992; Grover and Srinivasan 1992).

Some researchers and practitioners have used the findings of negative promotional effects to support their claim that promotions undermine consumer loyalty and brand equity (e.g., Raju and Hastak 1980; Sawyer and Dickson 1984; Jones 1990). I will briefly discuss some of the theories that have been used to account for these undermining effects, and build on this research by developing a comprehensive,

adaptable theory that can not only explain the undermining effects that have been demonstrated in prior research, but also predict when sales promotions may enhance consumers' attitudinal and behavioral responses.

### **Theoretical Accounts of Undermining Effects**

The predominant perspective in contemporary sales promotion research focuses on the potential negative effects of promotions on aggregate post-promotion brand sales and individual consumer product evaluations. Several theoretical perspectives have been used to explain these undermining effects.

#### Stockpiling, Purchase Acceleration, and Future Expectations

One explanation for post-deal troughs is that consumers purchase a larger quantity of a good than is necessary for immediate consumption during a promotional period because the extra quantity of the good can be inventoried for future use (Blattberg et al. 1981). Consumers' future expectations of promotional activities play a role, as the consumer is motivated to take advantage of a deal when he or she feels that it may not be available in the near future (Krishna, Currim and Shoemaker 1991). A post-deal trough would occur because consumers need to buy less of a product after a promotional period because they accumulated excess inventory by accelerating their purchases during the promotional period<sup>1</sup>. Several studies have examined the purchase acceleration effects from promotions (Blattberg et al. 1981; Neslin and Shoemaker 1983; Neslin et al. 1985; Gupta 1988; Ailawadi and Neslin 1998), in some cases demonstrating that consumers do

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<sup>1</sup> Product characteristics such as perishability moderate this effect (Wansink and Deshpande 1994; Ailawadi and Neslin 1998).

accelerate their purchases (i.e., buy sooner versus later) or increase their purchase quantities during promotional periods, thereby reducing their post-promotion purchase quantities. Although this approach provides a sufficient explanation for post-deal troughs, it does not account for the undermining attitudinal effects of promotions that supposedly occur and cause long term damage to brand equity. In fact, one of the more recent empirical demonstrations of purchase acceleration demonstrates that consumers may actually consume more of a product and do so faster when greater inventories are available in the household (Wansink and Deshpande 1994; Ailawadi and Neslin 1998). Such an outcome is not consistent with degradations in brand equity.

#### Brand Switching Among Deal-Prone Consumers

Research focusing on consumer heterogeneity offers an explanation for post-deal troughs based on brand switching among deal-prone consumers. According to this perspective, sales spikes that occur during the promotional period are due to an influx of brand switchers who purchase the promoted brand as long as it's offered with a promotion (Narasimhan 1984; Neslin and Shoemaker 1989). Once the promotion is retracted, switchers purchase competing brands that are being promoted. To test this explanation, studies have examined whether the sales spike during a promotional period is due primarily to purchase acceleration and stockpiling among brand loyal consumers, or because consumers who previously were buying other brands temporarily switched to the promoted brand. Several studies have examined this issue, but the evidence is extremely mixed (cf., Blattberg et al. 1995). In some cases a majority of promotional volume may come from brand switchers, but in other cases the volume originates from

category expansion effects. Similar to the purchase acceleration explanation, the brand switching perspective can be used to explain post-deal troughs in sales at an aggregate level, but it cannot account for the purported undermining effects of sales promotions on the attitudinal dimensions of brand equity at the level of individual consumers. Theories that can be used to account for long term undermining effects on brand equity need to incorporate psychological concepts in their models.

### Reference Prices

Some theorists have approached sales promotions by examining the impact of rewards on consumer reference prices (see also Sawyer and Dickson 1984; and Blattberg and Neslin 1990, pp. 41-45, for reviews). According to this research, consumers incorporate the regular shelf price of a product with its deal price to generate a reference or reservation price, which is “the price above which the consumer will not buy the product, but below which he or she will buy (Blattberg et al. 1995, p. G129).” Prior to promotional exposure, a consumer’s reference price may be equivalent to its regular shelf price. After a promotional purchase, i.e., after the consumer has purchased the product for less than the shelf price, a consumer’s reference price may be lower than before the promotion because it now incorporates the value of the promotion. As a result, the consumer may be less likely than before to purchase a product sold at its regular shelf price after the promotional period. This research seems most applicable to price promotions such as price deals and coupons, because the value of the promotion is in the same unit of measurement as the price of the product, thus enabling the consumer to integrate the two elements (Diamond and Campbell 1989; 1990).

The reference price approach to sales promotions is problematic on several fronts. First, research has yet to determine if consumers incorporate the value of nonmonetary rewards into their reservation prices, suggesting that reference price effects may only be likely when monetary promotions are offered. Furthermore, studies have shown that consumers often lack accuracy in their recall of the prices they pay for products, casting doubt on their capacity to generate well-formed reservation prices for individual products (Monroe 1973; 1981; Dickson and Sawyer 1990). Finally, even if consumers' reference prices change due to promotional activity, it is not clear how changes in reference prices would impact brand evaluations and brand equity.

#### Direct Inferences

One approach to sales promotions that does incorporate psychological constructs such as brand evaluations is based on consumer inferences. Research has examined the impact of a product's price on consumer inferences regarding the quality of the product (Zeithaml 1988; Alpert 1993; Lichtenstein, Ridgway and Netemeyer 1993), and on product evaluations and purchase intentions (Erickson and Johansson 1985). Presumably, promotional rewards impact quality inferences and product evaluations indirectly if they lower a product's purchase price, thereby triggering inferences based on the price-quality relationship. This presumption seems most likely for monetary promotions, but it may also be possible that consumers' inferences regarding a product's quality or worth could be affected by any type of reward that accompanies the product (see also Freedman, Cunningham and Krismer 1992 for a social psychological demonstration of reward-induced inferences). Research also demonstrates that the value

of a promotional offer, e.g., a coupon's face value, may impact consumer inferences regarding the price of the product (Raghubir 1998). Based on the aforementioned price-quality relationship research, this price inference may, in turn, impact quality inferences and subsequent product evaluations and purchase intentions.

A theoretical perspective based on consumer inferences about the product offers some advantages over other approaches. First, it accommodates the psychological processes that are known to mediate consumer behaviors, thus providing greater insights regarding both processes and outcomes. Second, the theory is quite adaptive, capable of accommodating a wide range of consumer inferences regarding the product (e.g., its quality and reservation price), the promotion, and the intentions of the marketer offering the product and promotion (Lichtenstein, Burton and O'Hara 1989; Forehand 1997). Finally, an inferential perspective offers a nonalgebraic framework that allows consideration of both monetary and nonmonetary promotions, thus expanding the scope of our theoretical capacity to incorporate the broad range of promotions in use today (Shimp 1997).

One limitation of adopting an inferential perspective to sales promotions is the difficulty of limiting the range of potential inferences in any purchase context. In a given situation, it would be possible to hypothesize a limitless number of inferential responses by consumers, each having a unique impact on product evaluations and purchase intentions. The parsimony and falsifiability of such an approach is thus questionable.

A specific class of inferences within this broader perspective can be examined with greater theoretical rigor. Considerable research has investigated the applicability of consumer attributions in the context of promotional rewards.

### Attribution Theory

Attributions are causal explanations for behaviors (Kelley 1967; 1972). Consumers may make attributions about the behaviors of other entities, such as a marketer or advertiser, or they may generate attributions about their own behavior, as delineated by self perception theory (Bem 1972). The type of attributions consumers make about marketers has been shown to impact consumer brand and deal evaluations (Lichtenstein et al. 1989; Forehand 1998). Forehand (1998) found that when consumers were presented with a free extra product promotion and were led to believe that the primary intent of the marketer was to increase sales of the focal brand, the presence of the promotional premium undermined consumer evaluations of the promoted product relative to when no premium was offered. When consumers were led to believe that the marketer's intent was to stimulate trial of the free sample product, however, evaluations of the focal brand were enhanced. Findings such as these provide evidence that the impact of a promotion on consumer product evaluations is influenced by the attributions consumers make about the marketers' intentions.

A specific class of attributions that also influence product evaluations are those concerning ones' own behavior. Bem's self-perception theory (1972) delineates how a person's attributions about their own behavior has motivational and attitudinal effects.

Self-perception theory has been applied to the use of rewards in education and organizations, and in a consumer behavior context regarding the use of sales promotions.

### Self-Perception Theory

The empirical finding that rewards can undermine a person's intrinsic motivation to perform a task (Deci 1971) posed significant implications for the use of rewards, and inspired a voluminous quantity of research in the social sciences. Research that applied these findings in a sales promotion setting proposed that promotional rewards which entice consumer response undermine subsequent product evaluations and repurchase behaviors (Scott 1976; Dodson et al. 1978). In support of this proposition, experimental research demonstrates that under certain conditions, persons who receive a reward for choosing a brand exhibit less favorable evaluations after consuming the product than persons who are offered no reward for their choice (Scott and Yalch 1978; Scott and Yalch 1980; Tybout and Scott 1983). The self-perception interpretation (Bem 1972) of these findings is that when consumers lack sufficient internal cues about a brand (e.g., feelings, knowledge, experience), they rely on their relevant past behavior and the context in which this behavior occurred as an informational cue to form an attitudinal assessment. A prior purchase of a brand would typically serve as an external cue indicating a favorable attitude towards a brand. However, if a prior purchase is attributed primarily to a promotional reward or some other external motivator or constraint (e.g., lack of choice), consumers will discount the inherent qualities of the product as the primary motive for their behavior (see also Kelley 1972 re. attribution theory's discounting principle).

The net result of discounting in a self-perception context is that when persons select a brand that is accompanied by a reward they will infer that they like the brand less than when they purchase a brand chosen solely on its own merits. Experimental results demonstrate that this inference is strong enough to bias attitudinal judgments such as taste perceptions of a beverage (Scott and Yalch 1978; Scott and Yalch 1980; Tybout and Scott 1983). These results have obvious implications. Consumers who previously held an ambiguous attitude toward a brand may develop a relatively salient experienced-based brand attitude that is less favorable than if the consumer had chosen the brand in the absence of a reward. This less favorable attitude based on direct product experience will undermine future purchase intentions for the promoted brand, thus eroding brand equity. Although this explanation is parsimonious and has received considerable empirical support, it has several limitations.

Research that applied self-perception theory in a sales promotion context sought primarily to demonstrate empirically how and when rewards undermine consumer product evaluations. An important limitation of the self-perception and discounting explanation is that robust undermining effects described by this theory are only obtained under very limited conditions. The necessary preconditions for self-perception and discounting to occur include: (a) insufficient internal cues for attitude formation (Wood 1982; Tybout and Scott 1983; Fazio, Powell and Williams 1989; Eagly and Chaiken 1993, pp. 545-546); (b) salience of both the reward and its task contingency (i.e., the necessity of performing a task in order to obtain the reward) (Ross 1975; Ryan, Mims and Koestner 1983), and (c) sufficient initial interest in the behavior to accommodate

undermining (Lepper, Greene and Nisbett 1973; Calder and Staw 1975; Hitt, Marriott and Esser 1992; see also Cameron and Pierce 1994; Tang and Hall 1995 for reviews). According to self-perception theory, consumers rely on past purchase behavior and its context as diagnostic information only when consumers lack sufficient internal cues for attitudinal judgment. In addition, the attributional discounting that leads to undermining only occurs when both the reward and its task-contingency are salient at the time of judgment. When the reward and its task-contingency are salient, the consumer will attribute prior choice to the reward rather than a genuine interest in the product (i.e., “I only bought Brand A because I had a coupon for it”). In the absence of a reward, prior choice of a product would serve as favorable information for attitudinal judgment, since the consumer would infer “I must like Brand A because I bought it last time”. With respect to task interest, research in social psychology demonstrates that undermining effects occur only when persons possess some initial interest in the task they perform. No specific theoretical explanations for this condition have been tested, but a self-perception interpretation might suggest that some interest in the task is necessary so that reward recipients will engage in the attributional cognitive activity that is necessary for discounting to occur.

Empirical studies demonstrate that in the absence of any one of these conditions undermining does not occur, and, in fact, enhancing effects are often obtained. When sufficient internal cues are available, enhancement effects are obtained. For example, when persons have existing knowledge or experience with a product (Wood 1982; Tybout and Scott 1983) product evaluations are higher in the presence versus absence of

a reward. Rewards also enhance intrinsic motivation when they provide feedback concerning a recipient's competence or self determination (Deci 1971; Harackiewicz 1979; Pittman et al. 1980; Rosenfield, Folger and Adelman 1980; Ryan et al. 1983), possibly because this feedback generates internal positive reactions that can serve as sufficient attitudinal cues (see also Schwarz and Clore 1988; and Pham 1998 re. the "How Do I Feel About It" heuristic).

Rewards also enhance recipient response when a reward or its task-contingency is not salient during attitude formation. For example, Ross (1975) obtained enhancing effects by distracting subjects from considering the reward during their performance of the rewarded task. Kruglanski et al. (1975) demonstrated that rewards have positive effects on intrinsic motivation when rewards are inherent to a task (e.g., a coin-toss game) and not considered an extrinsic inducement. Enhancement effects are also obtained when rewards are not task-contingent, but rather contingent on the quality of task performance (i.e., performance contingent) or not contingent on any behavior (i.e., task non-contingent, Ryan et al. 1983; Eisenberger and Cameron 1996). A self-perception interpretation is that in these cases, persons are less likely to perceive that they performed the task simply to obtain the reward and not due to an interest in the task itself. Another explanation based on cognitive evaluation theory (Deci and Ryan 1985) is that rewards in these conditions project more salient informational aspects than controlling aspects. According to cognitive evaluation theory, when rewards provide feedback to a recipient regarding their competence and self determination – presumably the case with some performance contingent rewards – the rewards will enhance intrinsic motivation. If

the controlling dimensions of a reward such as the reward's task contingency and instrumentality are most salient, however, the reward will undermine intrinsic motivation because it promotes a more external perceived locus of causality (Deci and Ryan 1985, p. 62).

Enhancement effects have also been obtained with individuals who measure low in need-for-cognition and desire for control (Thompson, Chaiken and Hazlewood 1993), or who are rewarded for performing uninteresting tasks (Calder and Staw 1975; Newman and Layton 1984; Hitt et al. 1992). Enhancement may occur in these contexts either because these individuals lack the motivation or capacity to engage in the attributional cognitive activities that lead to undermining (Rothschild and Gaidis 1981), or because there is insufficient initial interest in the task to accommodate an undermining of interest in the presence of a reward. In all of these cases, empirical evidence suggests that rewards have positive rather than negative effects on recipient response.

These studies provide empirical support that enhancement effects often occur when the necessary preconditions for self-perception do not. The boundary conditions for robust overjustification effects illustrate that the self-perception explanation for rewards' effects has limited usefulness. Self-perception and discounting only occur when a person relies primarily on past behavior as an informational cue to form an attitudinal judgment, and when the prior behavior is attributed to a reward rather than a positive evaluation of the attitude object. A parsimonious theoretical explanation has not emerged to explain why enhancement would occur outside the boundaries of these constraints. If self-perception and discounting do not occur when these preconditions are not met, what

psychological processes do occur? In this research I propose that the availability valence hypothesis (Tybout et al. 1983; Hannah and Sternthal 1984) provides a theoretical explanation for the psychological processes that lead to both undermining and enhancement effects. A theoretical approach that can predict and explain both undermining and enhancement effects will provide a significant contribution to sales promotion research. Instead of focusing entirely on when and how promotions might undermine consumers' attitudinal responses, researchers and practitioners can develop sales promotions that enhance brand evaluations.

**Table 1**  
**A Summary of the Literature Demonstrating The Positive Effects of Sales Promotions On Initial Consumer Response**

*There is empirical evidence that promotions have an initial positive impact on each of the following outcome variables.*

OUTCOMES	TYPE OF INCENTIVE	
	Price Deals	Coupons
Brand choice	(Brown 1974; Sunoo and Lin 1978; Guadagni and Little 1983; Gupta 1988; Henderson 1988; Lattin and Bucklin 1989; Neslin and Shoemaker 1989; Fader and McAlister 1990; Currim and Schneider 1991; Ortmeyer, Lattin and Montgomery 1991; Davis et al. 1992; Nowlis and Simonson 1997)	(Schindler and Rothaus 1985; Bawa and Shoemaker 1987; Henderson 1988; Chakraborty and Cole 1991; Currim and Schneider 1991; Schindler 1992; Sen and Johnson 1997)
Brand sales, market share and profitability	(Woodside and Waddle 1975; Wilkinson, Mason and Paksoy 1982; Guadagni and Little 1983; Dhebar, Neslin and Quelch 1987; Blattberg et al. 1995)	(Neslin and Shoemaker 1983; Neslin 1990; Howell 1991; Srinivasan, Leone and Mulhern 1995; Leone and Srinivasan 1996)
Purchase timing	(Blattberg et al. 1981; Gupta 1988; Currim and Schneider 1991; Helsen and Schmittlein 1992)	(Neslin and Shoemaker 1983; Henderson 1985; Krishna and Shoemaker 1988; Currim and Schneider 1991)
Purchase quantity	(Blattberg et al. 1981; Neslin et al. 1985; Gupta 1988; Currim and Schneider 1991; Ailawadi and Neslin 1998)	(Henderson 1985; Krishna and Shoemaker 1988; Currim and Schneider 1991; Krishna and Shoemaker 1992; Cheong 1993)
Incremental sales and category expansion	(Abraham and Lodish 1993)	(Klein 1981; Bawa and Shoemaker 1989; Abraham and Lodish 1993; Little 1994; Chiang 1995; LeClerc and Little 1997)
Store sales, store choice, and store profitability	(Moriarty 1985; Walters and Rinne 1986; Walters 1988; Walters and MacKenzie 1988; Mulhern and Leone 1990; Walters 1991)	(Henderson 1985)
Promotional redemption		(Dodson et al. 1978; Henderson 1985; Shoemaker and Tibrewala 1985; Cole and Chakraborty 1987; Babakus, Tat and Cunningham 1988; Krishna and Shoemaker 1992; Inman and McAlister 1994; Leone and Srinivasan 1996)

## **THE AVAILABILITY VALENCE HYPOTHESIS**

The availability valence hypothesis (Tybout et al. 1983; Hannah and Sternthal 1984) is a memory-based approach that can be used in a variety of communication and persuasion contexts. The hypothesis states that “individuals’ attitudinal judgments in response to a persuasive message are determined by the favorableness – or valence – of the issue-relevant information available in memory at the time of judgment (Hannah and Sternthal 1984, p. 633).” As one demonstration of its usefulness, the availability valence hypothesis was used to rectify conflicting effects in the multiple request compliance literature (Tybout et al. 1983). Door-in-the-face and foot-in-the-door are two commonly used multiple request techniques to enhance compliance. A requestor using the door-in-the-face technique first makes a substantial request that the individual is likely to refuse, then follows with a second, less substantial request. A requestor using the foot-in-the-door technique first makes a relatively minor first request with which the individual is likely to comply, then follows with a second, more substantial request. With both techniques, the individual is considered more likely to comply with the second request after receiving the initial request than someone who never received the first request. However, empirical demonstrations of these multiple request techniques have often obtained inconsistent effects – sometimes compliance is enhanced and sometimes it is undermined – and researchers were unable to provide a parsimonious account of these discrepancies. The availability valence hypothesis reconciled these disparate findings by predicting that compliance with a second request is enhanced only when favorable information is more available at the time of the compliance decision than any unfavorable

information. When unfavorable information is more available than favorable information at the time of the decision, compliance will be undermined. Favorable information in a multiple request context includes an individual's own compliance with an initial request in the foot-in-the-door scenario and a requestor's concessionary behavior in the door-in-the-face scenario. Unfavorable information in a multiple request context includes an individual's rejection of an initial request in the door-in-the-face scenario or a requestor's escalation of his or her demands in the foot-in-the-door scenario. Table 2 provides a typology of these different types of information.

The relative availability of these different informational cues is determined by how recently the information was processed and how the information was stored in memory (Tybout et al. 1983; Hannah and Sternthal 1984). More recently processed information is retrieved from memory more readily than is more distal information, particularly when memory is accessed soon after learning. Information related to oneself is more readily available than is information related to someone else, and more substantial information (e.g., compliance with a substantial versus small request) is more readily available than less substantial information due to the greater number of associations and linkages in memory for such behavior (Bower 1972; Rogers, Kuiper and Kirker 1977). Based on these principles, availability valence can explain and predict which favorable or unfavorable informational cues will be most available for retrieval from memory at the time of judgment, thus determining whether compliance will be enhanced or undermined.

Availability valence accounts for the effects of information on judgment processes in two ways. First, different types of information with different valences may be most accessible from memory in a judgment context, thereby yielding different evaluations. In the door-in-the-face example, ones' own rejection of the initial request or the requestor's concessionary behavior may be most accessible. Subsequent compliance will depend on which of these two pieces of information are more accessible when a decision is made, since one type of information is favorable and the other is unfavorable. Second, the type of information that is initially encoded may impact how subsequent information is perceived. In the door-in-the-face example, if the initial request and the behaviors associated with it are categorized as unfavorable, the evaluative response to the subsequent request may be interpreted differently than if the initial request information had been favorably categorized. Higgins et al. (1977) explain these two routes of impact in a personality assessment context:

“The subject's previous categorization of a stimulus person could therefore affect his or her judgments of that person both indirectly, through its effect on the construction and reconstruction of the stimulus information, and directly, through the category's own denotative and evaluative implications (p. 142).”

That is, from an availability valence perspective information can impact evaluations indirectly by affecting how subsequent information is encoded and interpreted and directly by affecting the type of information that is most accessible when evaluative assessments occur. The purpose of this research is to extend the theoretical concepts from availability valence into a reward context in order to explain and predict how promotional rewards will impact product evaluations.

### **Extending Availability Valence to a Reward Context**

The availability valence hypothesis integrates concepts from several theories that have been used to explain and predict rewards' effects, including self-perception (Bem 1972), attribution (Kelley 1972), cognitive evaluation (Deci and Ryan 1985), equity (Gouldner 1960), and reactance (Brehm 1966). In a multiple request context, availability valence predicts that when favorable information is more available than unfavorable information, compliance will be enhanced, and if unfavorable information is more available, compliance will be undermined. Theorists such as Ryan et al. (1983) offer a similar explanation for rewards, predicting that rewards will enhance intrinsic motivation for a task when favorable cues (either about the reward giver or recipient) are more salient than unfavorable cues in the interpersonal reward context. Borrowing language from availability valence, Deci and Ryan's (1985, p. 64) cognitive evaluation theory can be interpreted to suggest that intrinsic motivation for a task is impacted by the relative salience (read = availability) of the controlling (read = unfavorable) versus informational (read = favorable) aspects of a reward. When the controlling dimensions of a reward are more salient than its informational aspects, the reward will undermine intrinsic motivation. When the informational dimensions of a reward are more salient, the reward will enhance intrinsic motivation. Availability valence theory adds explanatory power to this account by detailing how information storage and retrieval processes and memory structure determine whether the informational or controlling dimensions of a reward will be most available in any given context. Availability valence also provides a broader theoretical structure than cognitive evaluation theory, because it can accommodate

favorable and unfavorable information beyond that which is controlling or informational. Table 3 depicts different types of favorable and unfavorable information that may be salient in a reward context, using terminology and concepts from several reward theories (see Table 3).

When a person's own behavior is the most available type of information for attitudinal judgment, self-perception occurs. If this behavior is perceived as self-determined, an individual will consider this behavior to be favorable information (Table 3, Cell 1). If the behavior is attributed primarily to a reward, however, this behavior is discounted and perceived unfavorably because it was controlled rather than self-determined (Table 3, Cell 2).

Results from a study by Scott and Yalch (1978) provide evidence that is consistent with the availability valence hypothesis. The study was designed to test the self-perception explanation that rewards can undermine consumer product evaluations when consumers attribute their product choice to rewards rather than the inherent qualities of the product. In the study, consumers in the reward treatment condition were offered an incentive if they agreed to sample an anonymous new brand of carbonated soda versus a known store brand. If consumers chose to try the new brand, they were given a coupon worth \$.50 at a local fast food restaurant immediately after making their choice. After receiving their reward, consumers in the examination condition were told to carefully examine the physical characteristics of both brands before tasting the brand they had chosen. In the no-examination condition, consumers were not given the opportunity to examine both brands and were simply asked to taste and evaluate their

chosen brand. The authors hypothesized that consumers in the examination condition would be primed to reflect on the causal basis of their brand choice and attribute it to the reward, thus leading them to be more receptive to negative product information. In the no examination condition, however, consumers wouldn't be primed to generate attributions leading to discounting, and instead would be more receptive to favorable product information. Consistent with the authors' hypotheses, the reward in the examination condition undermined product evaluations and the reward in the no examination condition enhanced product evaluations, both relative to a no-reward treatment condition. These results are consistent with availability valence. The reward enhanced product evaluations in the no-examination condition because the positive merits of the reward – the most recent cues provided in the evaluative setting – were most salient when consumers evaluated the product. Also, the positive framing invoked by the reward led consumers to be more receptive to favorable product information when tasting and evaluating the product. In the examination condition, the controlling aspects of the reward were made salient by priming subjects to carefully consider the basis for their brand choice, thus leading them to focus on how the reward influenced this choice. These negative cues about the reward and its influence led consumers to be more receptive to unfavorable product information when tasting and evaluating the product. The examination manipulation influenced which cues were most salient at the time of evaluative assessment (see also Scott and Tybout 1979 for a similar interpretation). Therefore, two persons, each exposed to an identical product, evaluated the taste of the

product differently because of differences in the salience of favorable versus unfavorable informational cues.

In some conditions, information about the reward giver (i.e., requestor) may be most available for attitudinal judgment. Consistent with research on equity theory and reactance theory in a promotional context (e.g., Yalch and Bryce 1981), if a reward giver's behavior is perceived to be a favor motivated by goodwill, it provides information that will favorably impact attitudes (Table 3, Cell 3). If the reward giver's behavior is perceived to be manipulative and controlling, this information will undermine attitudinal judgments (Table 3, Cell 4). Research by Forehand (1998) provides empirical evidence that is consistent with this explanation. Product evaluations of the focal brand were undermined when consumers in his studies were led to believe that a marketer was offering a free sample product with the focal brand primarily to influence consumer purchases of the focal brand. Evaluations were enhanced when consumers perceived that the marketer was offering the free sample to increase trial of the sample product. An availability valence interpretation is that the marketer's actions in the former case were interpreted as self-serving and manipulative, i.e., unfavorable, but in the latter case they were interpreted as relatively favorable since the marketer was providing a free gift to the consumer with no intent to influence or manipulate consumer actions. According to equity theory and the norm of reciprocity (Gouldner 1960; Yalch and Bryce 1981; Cialdini 1993), if a requestor (or reward giver) performs a behavior for another party that is perceived to be motivated primarily by goodwill, the recipient of this behavior will be motivated by the norm of reciprocity to respond in kind to the requestor. Several studies

have demonstrated that the norm operates automatically and has a substantial impact on recipient behavior (Cialdini et al. 1975; Cialdini and Ascani 1976; Cialdini 1993). A requestor's behavior may have a direct effect on product evaluations by providing favorable information when it is perceived to be motivated by goodwill, and unfavorable information when it is perceived to be manipulative. Such behavior may also have an indirect effect when the norm of reciprocity is elicited, causing a recipient to respond favorably to information that is subsequently presented, or unfavorably when reactance is triggered. An important operationalization issue left to consider is how a promotional reward can be designed to make favorable information more salient than unfavorable information in order to enhance product evaluations. In the next section an approach termed Promotional Enhancement Theory is introduced as a link between the availability valence hypothesis and promotional execution in the marketplace.

**Table 2**  
**Favorable and Unfavorable Information in a Multiple Request Context**

	Compliance enhanced when favorable information is more salient...	Compliance undermined when unfavorable information is more salient...
Own behavior	<i>Compliance</i> with initial request	<i>Refusal</i> of initial request
Requestor's behavior	<i>Concession</i> from initial substantial request	<i>Escalation</i> of demands

**Table 3**  
**Favorable and Unfavorable Information in a Reward Context**

	Recipient response (motivational and attitudinal) is enhanced when favorable information is more salient...	Recipient response is undermined when unfavorable information is more salient...
Own behavior	Cell 1 Prior behavior that is perceived to be self-determined indicating a favorable attitude towards task or attitude object.	Cell 2 Prior behavior that is perceived to be controlled indicating an unfavorable (or not-favorable) attitude towards task or attitude object.
Requestor's behavior	Cell 3 Provides reward as positive feedback to recipient	Cell 4 Provides reward as a controlling "bribe"

## PROMOTIONAL ENHANCEMENT THEORY

By extending the availability valence hypothesis into a reward context, several seemingly disparate theories are synthesized into a theoretical foundation that is broad enough to explain and predict not only when rewards will undermine recipient attitudes and behaviors, but also when enhancement might occur. The availability valence hypothesis encompasses self-perception, reactance, and cognitive evaluation theories to explain how rewards undermine recipient response when the controlling, contingent, and manipulative aspects of a reward and reward giver's actions are most salient. Availability valence also accommodates the informational aspects of rewards delineated by cognitive evaluation theory, as well as equity concepts such as reciprocity to explain how rewards may enhance attitudes and behaviors.

Insights from the availability valence hypothesis have value in sales promotion research and practice if promotional tactics can be identified and developed to make relevant, favorable information more salient than unfavorable information when consumers form attitudinal judgments. In this research I set forth Promotional Enhancement Theory to establish a link between the concepts delineated by availability valence and the promotional tactics employed by marketers on a day-to-day basis (see Figure 1). Promotional Enhancement Theory accommodates not only concepts from availability valence and its associated theories, but also the characteristics of promotions themselves that potentially operationalize these concepts in the marketplace.

According to availability valence, if favorable information about a reward or reward giver is more readily accessible in memory than unfavorable information when

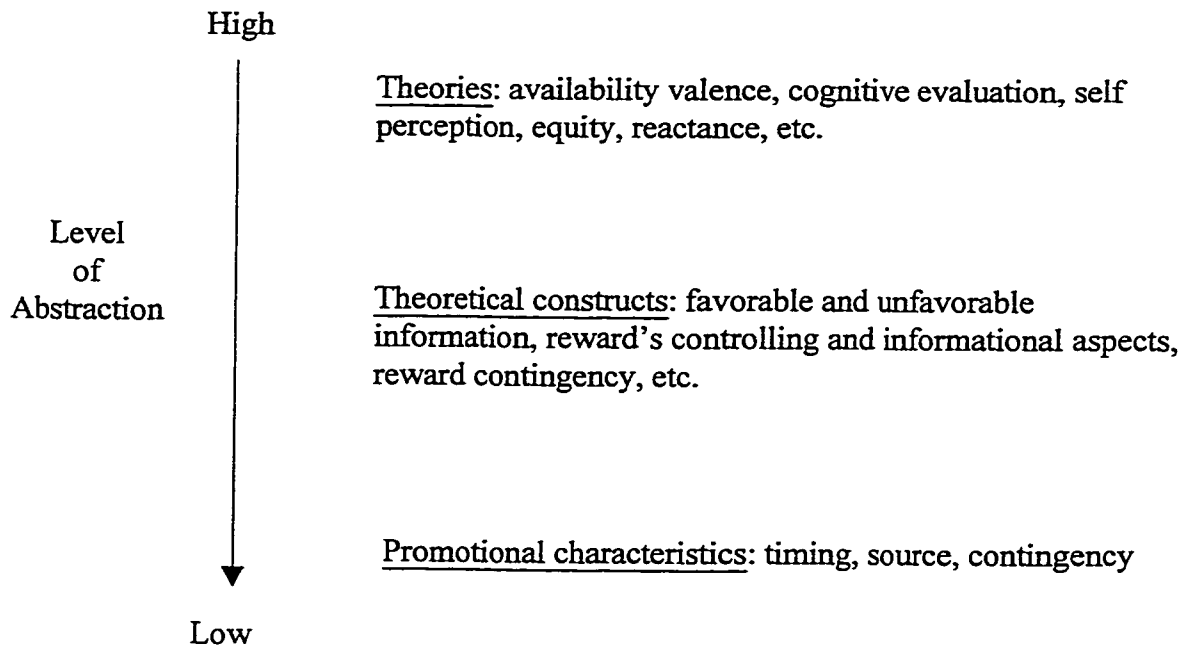
evaluative assessment occurs, product evaluations will be enhanced. Availability valence provides insights on how to make favorable information more salient than unfavorable information (Tybout et al. 1983; Hannah and Sternthal 1984). If favorable information, either about the reward or reward giver, is (a) more recent, (b) related to oneself versus another entity, or (c) more substantial than unfavorable information, enhancement effects are more likely to occur.

Given the proposition that the recency of favorable and unfavorable information affects its encoding and accessibility in memory, it is plausible that the redemption timing of a promotion could impact a promotion's undermining or enhancing effects. The timing of a reward's redemption is managerially relevant because it differentiates promotions that are redeemed immediately at the point-of-purchase (e.g., instant-redeemable coupons), versus those which require consumers to wait for a subsequent purchase or even longer for eventual redemption (e.g., mail-in rebates, Shimp 1997, p. 487). Research suggests that delayed rewards may be profitably advantageous to marketers because their economic value favorably impacts initial brand choice, but the effort and delay inherent in the redemption process reduces the number of consumers who redeem them (Soman 1998). This phenomenon, where rebates and other delayed rewards influence consumers' initial brand choice but are never redeemed, is termed "slippage" in the trade (Bulkeley 1998). A significant limitation of the conclusion that delayed rewards such as rebates are advantageous to marketers – a limitation that is addressed in this dissertation – is that it does not consider the potential impact of reward timing on product evaluations.

Consider an “immediate” promotional reward such as an instant coupon in which the consumer receives the benefits of the reward prior to consumption. In a new product trial context, such an occurrence would mean that the consumer derives benefits from the reward before forming an attitudinal judgment about the promoted product. A reward in this context may make favorable information most salient, not only about the reward but also about the reward giver if the reward giver’s actions are perceived to be motivated by goodwill. Yalch and Bryce (1981) demonstrated that consumers’ purchases of a brand of pizza increased significantly when the message “there is no obligation on your part to purchase the product” was communicated when free samples of the pizza were distributed in a store. The authors hypothesized that this message reduced consumers’ reactance (Brehm 1966) to the free sample and induced reciprocity instead. From an information availability perspective, the “no obligation” message led consumers to view the marketers’ free sample as a favorable piece of information since it was motivated by goodwill rather than an attempt to manipulate or control consumer actions. In the Yalch and Bryce study, this favorable information presumably enhanced consumers’ evaluations of the product (unfortunately, this measure did not obtain significant differences in the study) and subsequently increased their desire to purchase the product.

In this research I propose that a promotional reward distributed before a consumer forms an evaluative assessment of a product provides favorable information about the reward and reward giver, reduces consumer reactance, and consequently increases the likelihood of a favorable reciprocal evaluation of the product. A reward given before a consumer evaluates a product (hereafter referred to as an immediate reward) reduces

reactance because it affords greater behavioral freedom for the recipient (Brehm 1966; Yalch and Bryce 1981), relative to a delayed reward. I propose that delaying a reward's distribution – promising the reward prior to when a consumer forms an evaluative assessment but distributing it after the evaluative task is performed – will enhance the salience of the reward's task contingency and its controlling aspects and subsequently undermine consumer evaluations. In the following studies I attempt to determine whether promotional timing does have an effect on product evaluations and I test the explanations offered by Promotional Enhancement Theory for these effects.



**Figure 1**  
**Promotional Enhancement Theory: Integrating Theory**  
**With Promotional Characteristics**

## EMPIRICAL TESTING OF PROMOTIONAL ENHANCEMENT THEORY

### Study 1

#### Hypotheses

The Promotional Enhancement Theory perspective is that the timing of a reward impacts the type of information consumers use to form an evaluation of a promoted product. When a reward is given to a recipient by the marketer of the product before product evaluation it will make favorable information about the reward and reward giver salient and will lead the recipient to evaluate the promoted product more favorably than if no reward is present. The following hypothesis is based on this theoretical account:

H1: Persons who receive a reward before they evaluate a product will report higher product evaluations than persons who receive no reward for their product choice.

A reward that is promised prior to attitude formation but not distributed until after a consumer experiences a product firsthand (e.g., through consumption) tends to make unfavorable information more salient than favorable information at the time of attitudinal assessment. The task contingency of the reward and its controlling characteristics (see Table 3, cell 2) are made salient because recipients understand that certain events must occur or tasks performed before the reward is distributed. As a result, the delayed reward will yield an undermining effect on product evaluations:

H2: Persons who are promised a reward before, but receive a reward after they evaluate a product will report lower product evaluations than persons who receive no reward for their product choice.

Empirical testing of Promotional Enhancement Theory begins with an investigation of these testable hypotheses. The results will provide insights regarding the differential effects of immediate versus delayed promotional rewards on product evaluations.

### Design and Procedure

Two hundred thirty-seven student subjects (Ss) participated in the study as one of their options to fulfill requirements for an undergraduate marketing course at a major West Coast university. Groups of 5 – 25 subjects were assigned to one of three treatment conditions – no reward, immediate reward, and delayed reward – randomly determined by the experimental session in which they participated. Group, rather than individual random assignment was necessary because it was not possible to administer different treatment conditions in the same session without making Ss aware of procedural differences. Each treatment condition was administered across several sessions, and there were no significant differences in any of the dependent measures across different sessions of the same condition. Furthermore, all sessions were conducted in the same classroom with the same moderator. Thus, it is most likely that systematic differences in the dependent measures are due to treatment conditions rather than any other differences between the experimental sessions.

The study background and instructions were read aloud by the moderator. Ss were told that a beverage manufacturer was introducing a new brand of seltzer water and wanted to obtain consumer reactions to it. They would be given the opportunity to taste a

new brand of seltzer water made with special natural ingredients designed to give it a great taste. If for some reason they did not wish to try the new brand, they could try an alternative store brand instead. The new brand was a national brand of seltzer water with a concealed label. The store brand was unconcealed.

Ten subjects chose not to sample the new brand, and their data were not used in the analysis. The choice scenario was structured so that participants had the freedom to choose either brand, but the implicit superiority of the new focal brand versus the store brand guided the majority of Ss to select the focal brand. This design is not intended for testing the effect of a reward on initial choice, but rather to reduce the potential for self-selection bias. In this manner, the impact of the reward on subsequent product evaluations and purchase intentions could be isolated from any systematic individual differences.

After receiving the relevant product information, subjects in both the immediate and delayed reward conditions were informed that in order to maximize the number of persons who taste the new brand, the marketer was offering one dollar to everyone who agreed to try it. Questionnaires were distributed, and Ss were asked to indicate their brand choice in their booklets. In the immediate reward condition, subjects received one dollar immediately after making their choice to sample the new brand. The moderator walked through the room and personally distributed a one-dollar bill to every S who had chosen the new brand. In the delayed reward condition, subjects who agreed to sample the new brand of seltzer water were told that they would receive a dollar at the conclusion

of the study. In the no reward condition, subjects were not offered a reward for their brand choice.

### Dependent Measures

A 5-item product evaluation measure was obtained two times during the experiment – after receiving the experimental treatment information but before tasting the product, and after tasting the product. The 5 items were each measured on a scale ranging from –5 to +5, anchored with “not desirable -- desirable”, “bad tasting -- good tasting”, “not satisfying -- satisfying”, “not refreshing -- refreshing”, and “low quality -- high quality”. Ss were first asked to evaluate their chosen brand before tasting it, based on their expectations of the product and the information they had currently. Ss then evaluated the product after tasting a 6-8 ounce sample. In the delayed reward condition, Ss received their dollar after they responded to the post-taste product evaluations and other dependent measures (see Figure 2). The experimental booklets were then collected.

A second experimental booklet was distributed in the delayed reward condition. This booklet asked Ss to evaluate the product again, and to retrospectively indicate how confident they were that they would actually receive the dollar reward. The post-reward evaluations were captured to determine if Ss in the delayed reward condition altered their consumption-based product evaluations after receiving the reward. The confidence measure was taken to determine whether Ss in the delayed reward condition were skeptical that they were going to actually receive the promised reward.

## Results

Due to unequal sample sizes, planned contrasts that do not assume equal variances among the treatment groups were used to test the hypotheses (Maxwell and Delaney 1990). The primary dependent variable was the mean score of the 5-item post-taste product evaluation scale ( $\alpha = .96$ ). Consistent with H1, the immediate reward enhanced product evaluations, and consistent with H2, the delayed reward undermined evaluations, both relative to a no-reward baseline condition. Post-taste product evaluations in the immediate reward condition were significantly higher ( $M = 1.35$ ,  $n = 65$ ) compared to the no reward ( $M = 0.29$ ,  $n = 86$ ,  $t = 2.34$ ,  $p < .05$ ) and delayed reward ( $M = -0.66$ ,  $n = 86$ ,  $t = 4.51$ ,  $p < .01$ ) conditions, and evaluations in the delayed reward condition were lower than the no reward ( $t = 2.12$ ,  $p < .05$ ) condition (see Figure 3). Purchase intentions and product satisfaction exhibited similar patterns (see Figures 4-5).

In contrast to the other dependent measures, Ss' satisfaction with the study overall was higher in both immediate ( $M = 7.58$ ,  $n = 65$ ) and delayed ( $M = 6.22$ ,  $n = 86$ ) reward conditions as compared to the no-reward condition ( $M = 5.43$ ,  $n = 86$ ,  $t = 5.65$  and  $1.89$ ,  $p < .01$  and  $.10$ , respectively; see Figure 6). When asked, "How satisfied were you with the study overall?", Ss in both reward conditions reported greater satisfaction with the study than Ss in the no-reward condition.

As indicated previously, Ss in the delayed reward condition responded to a second post-taste evaluation measure after received their reward. Ss' post-reward product evaluations in the delayed reward condition were lower ( $M = -.45$ ,  $n = 46$ ) than immediate reward Ss' post-taste evaluations ( $M = 1.35$ ,  $t = 3.36$ ,  $p < .01$ ), but were not

significantly lower than no-reward Ss' post-taste evaluations ( $M = .29, t = 1.37, n.s.$ ; see Figure 7).

### Discussion

Consistent with the hypotheses based on Promotional Enhancement Theory, the immediate reward in this experiment enhanced product evaluations and the delayed reward undermined evaluations, both relative to a no-reward baseline condition. The explanation of these results based on Promotional Enhancement Theory is that the immediate reward made favorable information about the reward giver (the product's manufacturer) salient at the time of evaluative assessment, thus enhancing product evaluations. The delayed reward made the task-contingency of the reward most salient, providing unfavorable information that led to less positive evaluations of the product.

An alternative hypothesis based on these results is that the reward timing manipulation triggered a positive mood effect for recipients of the immediate reward, and a negative mood effect for recipients who were frustrated by the delayed reward. Since mood is pervasive, an affect-based explanation would predict that all of the evaluative measures would exhibit a similar pattern of enhancing effects for the immediate reward and undermining effects for the delayed reward. Results from the study provide evidence that is inconsistent with this affect-based explanation. In contrast to the other dependent measures, Ss' satisfaction with the study overall was higher in both the immediate and delayed reward conditions as compared to the no-reward condition (see

Figure 6). These results suggest that the undermining effects from the delayed reward were product-specific, and not global effects such as those brought on by mood or affect.

There is further evidence that an explanation based purely on affect provides an insufficient account of the results. An affect-based explanation would suggest that when Ss receive the reward, their momentary affective state is enhanced, and they are more inclined to respond favorably to the product (Isen et al. 1978; Gorn, Goldberg and Basu 1993). This explanation would suggest that after receiving their reward at the end of the study, delayed-reward Ss would tend to respond more favorably to the product than before they received the reward. Contrary to this prediction, however, product evaluations in the delayed reward condition did not significantly change even after Ss received their reward (see Figure 7).

Another alternative explanation for the undermining effects in the delayed reward conditions is that Ss perceived that they were being deceived and didn't think they were going to receive a reward. Results were inconsistent with this explanation. Ss in the delayed-reward condition reported a fairly high retrospective confidence that they would actually receive the promised reward. When asked, "How confident were you that you would actually receive the dollar?", Ss reported an average confidence rating of 6.8 on a scale of 1 to 10 (1 = "not at all confident", 10 = "very confident"), with 72% of the Ss reporting a confidence of 6 or higher. Although hindsight bias may have inflated these subjective assessments (Fischhoff 1975), the results also support the contention that Ss generally believed that they would receive the reward as promised. Furthermore, if Ss felt they were being duped, it is likely that would have reported relatively poor

satisfaction with the study overall. As Figure 7 indicates, however, both the delayed and immediate reward Ss were more satisfied with the study than their no-reward counterparts.

As an initial test of Promotional Enhancement Theory, Study 1 provides evidence that the timing of a promotional reward moderates its effect on product evaluations. According to Promotional Enhancement Theory and the availability valence hypothesis, a reward's timing influences the type of information that is most available for evaluative assessment. When subjects receive a reward prior to evaluating the product, the favorable action by the reward giver (the product's manufacturer) provides salient, favorable, product-relevant information that enhances a consumer's attitudinal judgments (provided the reward giver's behavior is perceived to be motivated by goodwill – see Table 3). This account is similar to enhancing compliance using the door-in-the-face technique by making the requestor's concessionary behavior most salient. Although the results from Study 1 are consistent with the explanation that the reward giver's behavior favorably impacted product evaluations, the study does not provide a direct test of this theoretical explanation.

One way to test whether the reward giver's actions provided favorable cues that enhanced product evaluations is to manipulate the source of the reward. In Study 1 subjects were told that the source of the reward was product related, therefore the immediate reward provided favorable information that was considered issue relevant. If the immediate reward came from a source unrelated to the product, the reward giver's behavior would not be considered product-relevant, would therefore not be used by

consumers to form evaluative assessments, and would not enhance product evaluations. In order to test this hypothesis, the source of the reward is manipulated in Study 2, and a reward timing  $\times$  reward source interaction is hypothesized. When the source of the reward is product-related, the immediate reward will enhance product evaluations relative to a no-reward condition (i.e., a replication of the results obtained in Study 1). When the source of the immediate reward is unrelated to the product, enhancement will not occur because the favorable information provided by the reward giver's behavior will not be used in the consumer's evaluative assessment of the product.

The impact of manipulating the source of the reward in the delayed reward condition is less predictable based on prior theory. One hypothesis is that regardless of its source, the delayed reward will consistently undermine product evaluations because of its salient task contingency. Since the consumer who is offered a delayed reward doesn't receive the benefits of the reward before initially evaluating the product, the source of the reward may not matter. However, knowing that a promotional reward is being offered by a source unrelated to the product versus a product-related source may impact consumer reaction to the promised reward. In Study 1 it was proposed that the delayed reward undermined product evaluations because it made unfavorable information about the reward's task contingency salient during attitude formation. A previously unstated assumption of this explanation is that the unfavorable information provided by the reward was considered relevant and attributable to the product and consequently impacted product evaluations. If the source of the reward is unrelated to the product, the delayed reward's salient task contingency would no longer be perceived as unfavorable issue-

relevant information and would therefore no longer undermine product evaluations. On the basis of this reasoning, I propose that the delayed reward from a source unrelated to the product will neither enhance nor undermine product evaluations.

## Study 2

### Hypotheses

Study 2 includes a reward source manipulation and is designed to test the hypothesis that if the reward comes from a source not related to the product, the immediate reward will not trigger the enhancement effects obtained in Study 1. Hypotheses H3a and H3b predict a reward source  $\times$  reward timing interaction, in which the immediate reward will enhance evaluations when its source is related to the product, but will not enhance evaluations when its source is unrelated to the product.

H3a: Persons who receive a reward *from a source related to the product* before they evaluate a product will report higher product evaluations than persons who receive no reward for their product choice.

H3b: Persons who receive a reward *from a source unrelated to the product* before they evaluate a product will not report higher product evaluations than persons who receive no reward for their product choice.

When the source of the delayed reward is product related, undermining effects will occur, just as they did in Study 1. When the source of the delayed reward is unrelated to the product, however, neither undermining nor enhancement will occur.

H4a: Persons who are promised a reward before, and receive a reward *from a source related to the product* after they evaluate a product will report lower product evaluations than persons who receive no reward for their product choice.

H4b: Persons who are promised a reward before, and receive a reward *from a source unrelated to the product* after they evaluate a product will report product evaluations that are equivalent to persons who receive no reward for their product choice.

Results from this experiment test the explanation that the enhancement effects obtained in Study 1 occurred because the immediate reward provided favorable, product relevant information for consumer evaluation. If the reward provides information that is not considered relevant to the product, enhancement effects will not be obtained.

### Design and Procedure

Two hundred fifty-seven student subjects (Ss) participated in the study to fulfill requirements for an undergraduate marketing course at a major West Coast university. Groups of 5 – 25 subjects were randomly assigned to one of five treatment conditions corresponding to a 2 (immediate, delayed reward timing)  $\times$  2 (reward from manufacturer or an independent marketing research firm) factorial design, plus a no-reward baseline condition. The five treatment conditions were as follows: no reward, immediate reward from manufacturer, delayed reward from manufacturer, immediate reward from an independent marketing research firm, and delayed reward from an independent marketing research firm – randomly assigned by the experimental session in which Ss participated. As in Study 1, each treatment condition was administered across several sessions, and there were no significant differences in any of the dependent measures across different sessions of the same condition.

The study background and instructions were read aloud by the moderator. Ss were told that a beverage manufacturer was introducing a new brand of seltzer water and

wanted to obtain consumer reactions to it. They would be given the opportunity to taste a new brand of seltzer water made with special natural ingredients designed to give it a great taste. If for some reason they did not wish to try the new brand, they could try an alternative store brand instead. The new brand was a national brand of seltzer water with a concealed label. The store brand was unconcealed. Nine subjects chose not to sample the new brand, and, as in Study 1, their data were not used in the analysis.

The conditions in Study 1 were replicated in one half of Study 2, in which Ss were told that the reward was provided by the new brand's manufacturer. After receiving the relevant product information, subjects in both the immediate-from-manufacturer and delayed-from-manufacturer reward conditions were informed that in order to maximize the number of persons who taste the new brand, the new brand's manufacturer was offering one dollar to everyone who agreed to try it. Questionnaires were distributed, and Ss were asked to indicate their brand choice in their booklets. In the immediate reward condition, subjects received one dollar immediately after making their choice to sample the new brand. The moderator walked through the room and personally distributed a one-dollar bill to every Ss who had chosen the new brand. In the delayed reward condition, subjects who agreed to sample the new brand of seltzer water were told that they would receive a dollar at the conclusion of the study. In order to make the source of the reward salient in both reward conditions, a label was placed on the dollar bills displaying the words "Compliments of the New Brand's Manufacturer". In the no reward condition, subjects were not offered a reward for their brand choice.

In the immediate- and delayed-from-market-research-firm treatment conditions, Ss were told that the reward was provided by an independent marketing research firm. After receiving the relevant product information, subjects in both the immediate-from-market-research-firm and delayed-from-market-research-firm reward conditions were informed that in order to maximize the number of persons who taste the new brand, an independent marketing research firm not affiliated in any way with either of the products was offering one dollar to everyone who agreed to try the new brand. Identical procedures were used as mentioned previously for the immediate versus delayed reward manipulation. In order to make the source of the reward salient in both reward conditions, a label was placed on the dollar bills displaying the words “Compliments of the Independent Marketing Research Firm”.

### Dependent Measures

The same 5-item product evaluation measure that was used in Study 1 was employed in Study 2. As in Study 1, Ss were first asked to evaluate their chosen brand before tasting it based on the information they had currently and their expectations, and then Ss evaluated the product after tasting a 6-8 ounce sample. In the delayed reward condition, Ss received their dollar after they responded to the post-taste product evaluations and other dependent measures. The experimental booklets were then collected and Ss were debriefed and thanked for their participation.

In addition to product evaluations, purchase intentions, satisfaction with the product, and satisfaction with the study measures, two additional measures were included

in Study 2 that were not used in Study 1. First, a manipulation check was used to determine Ss' accuracy in remembering the source of the reward they received (this measure was not used in the no-reward condition). Ss were given a list of several options to select to indicate their recall of the reward source: "The store brand's manufacturer", "The new brand's manufacturer", "An independent marketing research firm", "I can't remember", and "Other".

A second additional measure was a thought-listing task in which Ss were asked to write down all the thoughts they had either during the study or at the present time about the product(s), the study itself, or anything else that came to mind. Ss were told to take about ten minutes for the exercise, and sufficient room for eight comments was provided in the survey booklet.

## Results

Due to unequal sample sizes, planned contrasts that do not assume equal variances among the treatment conditions were used to test the hypotheses (Maxwell and Delaney 1990). The primary dependent variable was the mean score of the 5-item post-taste product evaluation scale ( $\alpha = .96$ ). Consistent with hypotheses H3a and H3b, there was a significant reward timing  $\times$  reward source interaction ( $F_{1,177} = 19.69, p < .01$ )<sup>2</sup>. H3a predicted that the immediate reward from the manufacturer would enhance product evaluations relative to a no-reward condition. This prediction is a replication of Study 1. Post-taste product evaluations in the immediate-reward-from-manufacturer condition ( $M$

= 1.78,  $n = 59$ ) were directionally higher but not significantly greater than those in the control condition ( $M = 1.03$ ,  $n = 70$ ;  $t = 1.66$ , n.s.; see Figure 8). H3b predicted that the immediate reward from the market research firm would not enhance product evaluations relative to a no-reward condition. Consistent with H3b, product evaluations in the immediate-reward-from-marketing research firm condition ( $M = 0.32$ ,  $n = 33$ ) were no different than in the no-reward control condition ( $M = 1.03$ ,  $n = 70$ ;  $t = 1.22$ , n.s.), and lower than those in the immediate-reward-from-manufacturer condition ( $M = 1.78$ ;  $t = 2.49$ ,  $p < .05$ ; see Figure 8).

H4a predicted that the delayed reward from the manufacturer would undermine product evaluations. Consistent with H4a, product evaluations in the delayed-reward-from-manufacturer condition were lower ( $M = -0.48$ ,  $n = 49$ ) than in the no-reward control condition ( $M = 1.03$ ;  $t = 3.07$ ,  $p < .01$ ). Consistent with H4b, evaluations in the delayed-reward-from-marketing research firm condition ( $M = 1.63$ ,  $n = 36$ ) were statistically equivalent to those in the no-reward control condition ( $M = 1.03$ ;  $t = 1.13$ , n.s.). Although the results are not directly related to the study's hypotheses, it should be noted that evaluations in the delayed-reward-from-marketing research firm condition were higher than those in the immediate-reward-from-marketing research firm condition ( $M = .32$ ;  $t = 2.02$ ,  $p < .05$ ) and in the delayed-reward-from-manufacturer condition ( $M = -.48$ ;  $t = 3.72$ ,  $p < .01$ ).

The pattern of results for the other dependent measures, including purchase intentions (Figure 9) and satisfaction with the product (Figure 10) were consistent with

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<sup>2</sup> The omnibus ANOVA used to test the significance of the interaction excluded the no-reward treatment

the product evaluation scores. Significant differences across treatment conditions were not obtained with the satisfaction-with-the-study measure. An omnibus ANOVA did not reveal a significant main effect for timing ( $F_{1,177} = .71$ , n.s.) or reward source ( $F_{1,177} = .02$ , n.s.), nor was there a significant timing  $\times$  source interaction ( $F_{1,177} = 1.58$ , n.s.; Figure 11).

Subjects' accuracy in recalling the source of the reward (no-reward condition not included) served as a verification of the reward source manipulation. As would be expected, Ss in the immediate reward condition tended to be more accurate in their recall, since they had already received their dollar with the corresponding labels "Compliments of the new brand's manufacturer / the independent marketing research firm". Recall accuracy in the delayed reward conditions were not significantly lower, but subjects did tend to have a more difficult time accurately recalling the source of the reward when it came from the marketing research firm rather than the manufacturer (see Figure 12).

Since most promotions tend to come from the manufacturer of various brands, the recall accuracy patterns exhibit ecological validity. An analysis of the data that excludes Ss who mistakenly attributed the reward to the incorrect source did not yield a significantly different pattern of results.

### Discussion

Results from the treatment conditions in Study 2 in which the reward was given by the product's manufacturer were consistent with the results from Study 1. The immediate reward from the product's manufacturer yielded more favorable product

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condition, thus the degrees of freedom reflect a smaller sample size than the total number of Ss in the study.

evaluations than a delayed reward from the manufacturer. Also, the delayed reward from the manufacturer undermined product evaluations relative to a no-reward baseline condition. The immediate reward from the manufacturer yielded product evaluations that were directionally higher than the no-reward baseline condition, but the difference was not statistically significant.

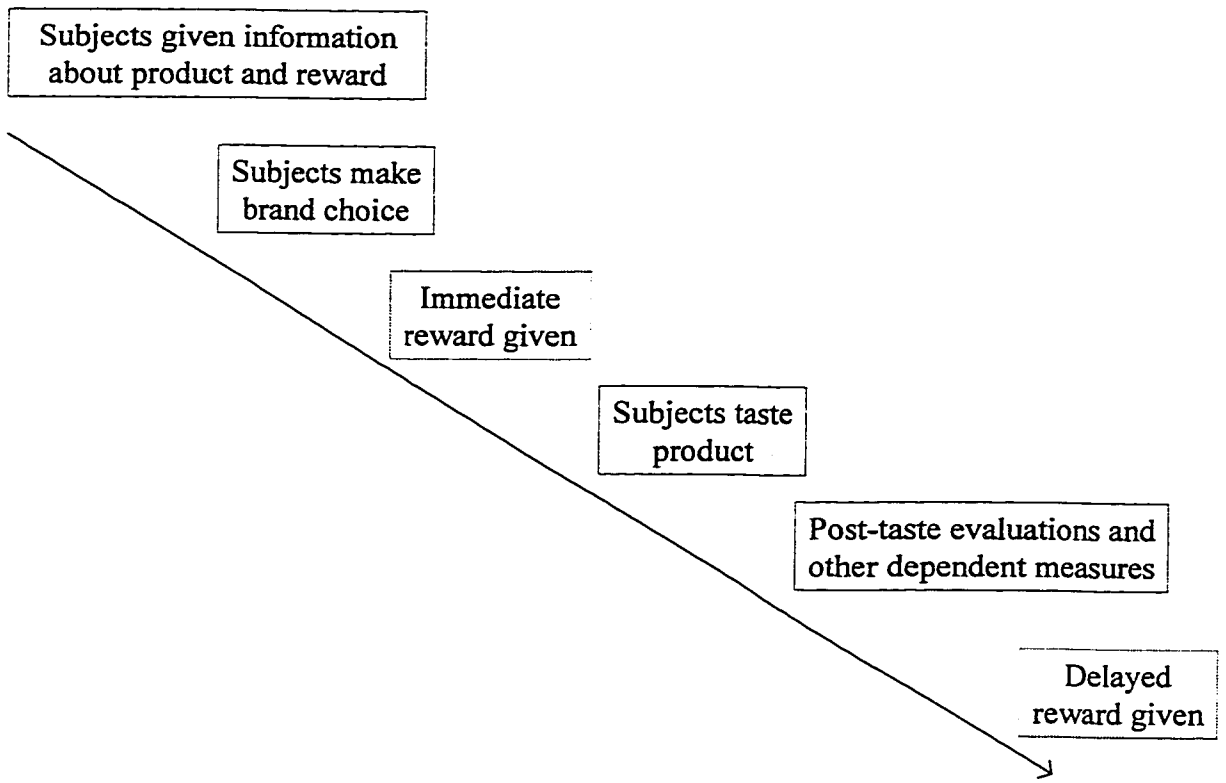
The primary purpose for Study 2 was to test the explanation that immediate rewards enhance product evaluations because the behavior of the reward giver provided favorable, product-relevant information for evaluative assessment. Results in the immediate reward condition are supportive of this explanation. Product evaluations were higher when Ss were led to believe that the immediate reward was provided by the product's manufacturer than when the immediate reward came from an independent market research firm. This pattern of results supports the proposition that favorable behaviors of the reward giver are used to form evaluative judgments and enhance product evaluations when the source of the immediate reward is considered product relevant and attributed to the product. The immediate reward does not enhance product evaluations when the source of the reward is not related to the product.

Other results in the delayed reward condition were also consistent with the hypotheses, but certain data patterns emerge that warrant further discussion and investigation. Consistent with H4a and with the results obtained in Study 1, the delayed reward from the manufacturer undermined product evaluations relative to a no-reward condition. Consistent with H4b product evaluations in the delayed-reward-from-

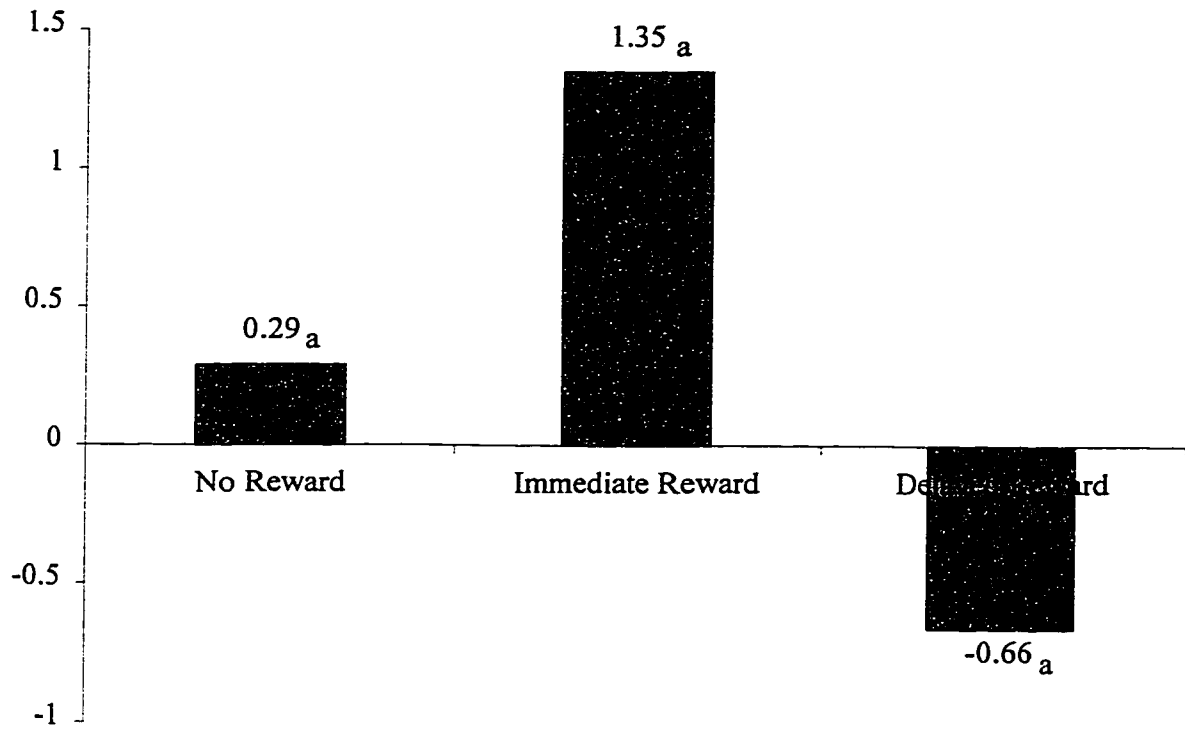
marketing-research-firm condition were statistically equivalent to those in the no-reward condition.

One post-hoc explanation for the relatively favorable product evaluations in the delayed-reward-from-marketing-research-firm condition (an unexpected result not directly related to the hypotheses, but relevant nonetheless) is that reactance to the reward's task-contingency was reduced because a source unrelated to the product was offering the reward. Despite the fact that recipients had to complete the study before receiving the reward, they did not consider this task-contingency when evaluating the product. This explanation can account for the relatively more favorable evaluations in the delayed-reward-from-marketing-research-firm condition versus the delayed-reward-from-manufacturer condition, but it is not sufficient to explain why evaluations were also more positive relative to the immediate-reward-from-marketing research condition. An immediate reward was expected to invoke reciprocity. When the reward came from a source related to the product, recipients could reciprocate by being more receptive to favorable information and favorably evaluating the product. When the immediate reward came from a source unrelated to the product, however, recipients couldn't reciprocate via product evaluations. The relatively less favorable evaluations in the immediate-reward-from-marketing research firm condition may suggest that recipients attempted to reciprocate by more critically and carefully evaluating the product, presumably because the marketing research firm would want them to. This explanation is admittedly complex and would require further testing, but the overall pattern of results seems to reveal a clear and simple pattern. Rewards that either reduce reactance or invoke reciprocity towards

the product's source have a favorable impact on product evaluations, but those which induce reactance or invoke a critical reciprocal response have an unfavorable impact on product evaluations. Consistent with promotional enhancement theory and the availability valence hypothesis, a reward's timing and source interact to impact directly the type of information (favorable versus unfavorable) that is most accessible and indirectly how subsequent information is interpreted and perceived for evaluative assessment.

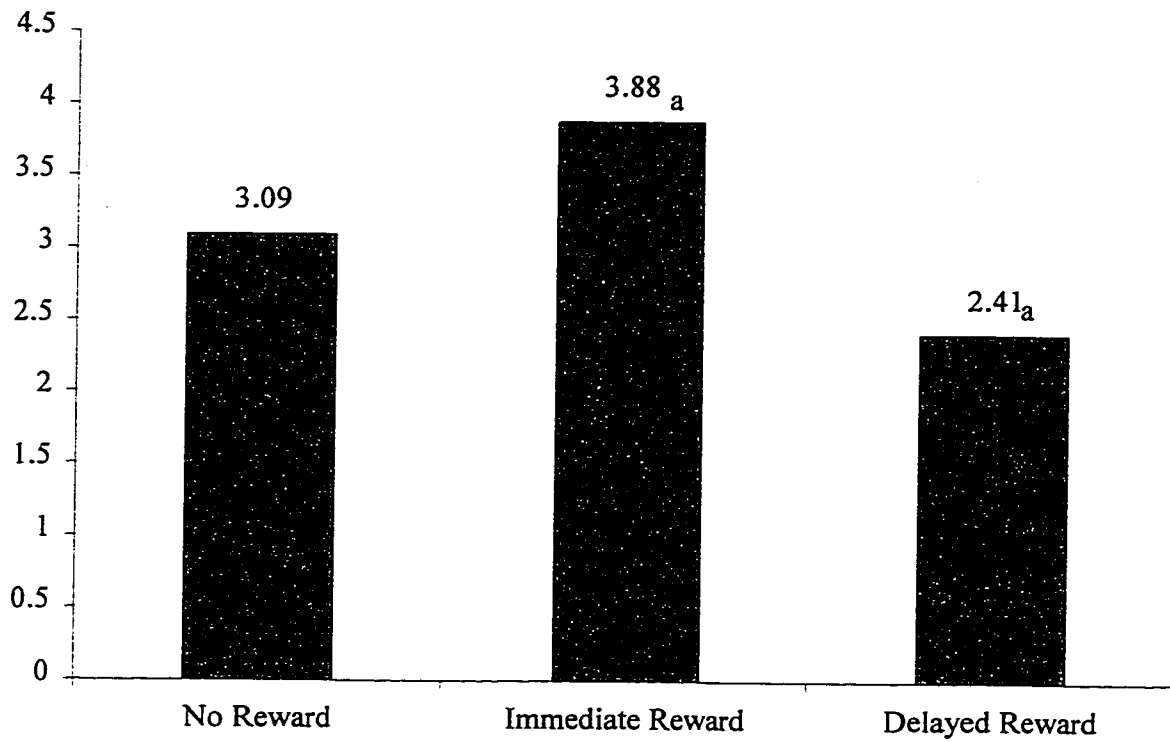


**Figure 2**  
**Study 1 Procedure**



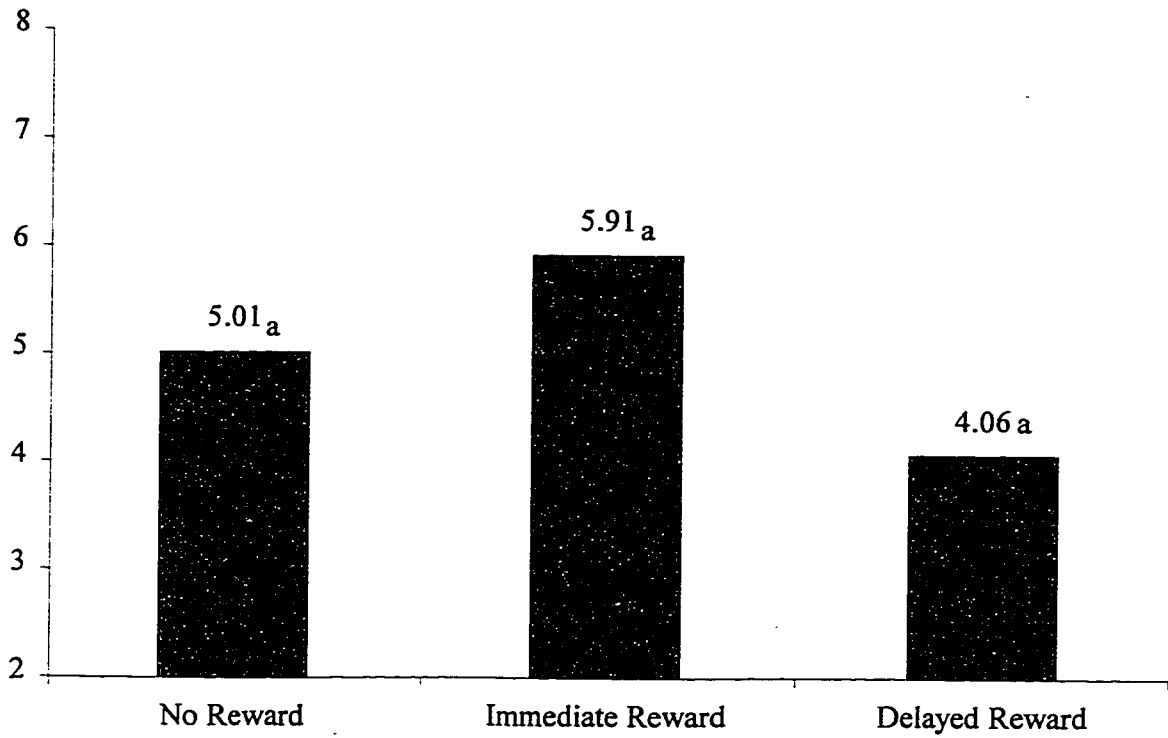
Note: Values with equivalent subscripts indicate significant differences. Additional data available in Appendix C.

**Figure 3**  
**Study 1 Mean Post-Taste Evaluations**



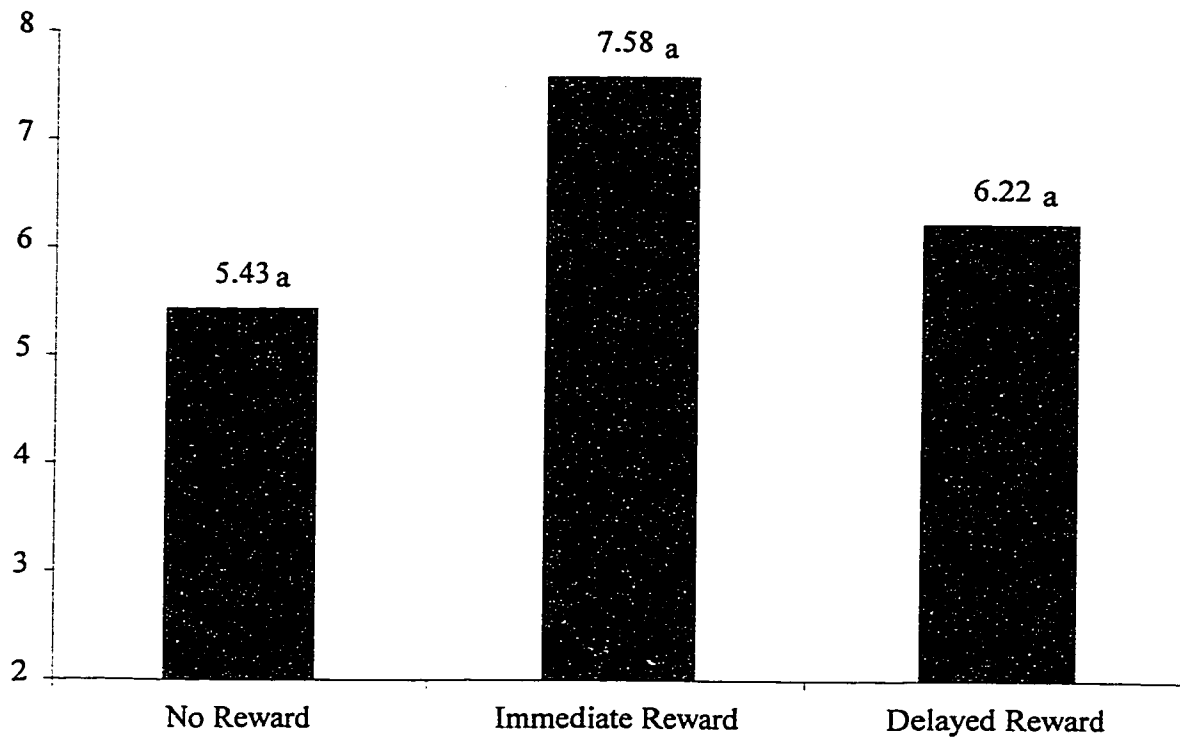
Note: Values with equivalent subscripts indicate significant differences. Additional data available in Appendix C.

**Figure 4**  
**Study 1 Purchase Intentions**



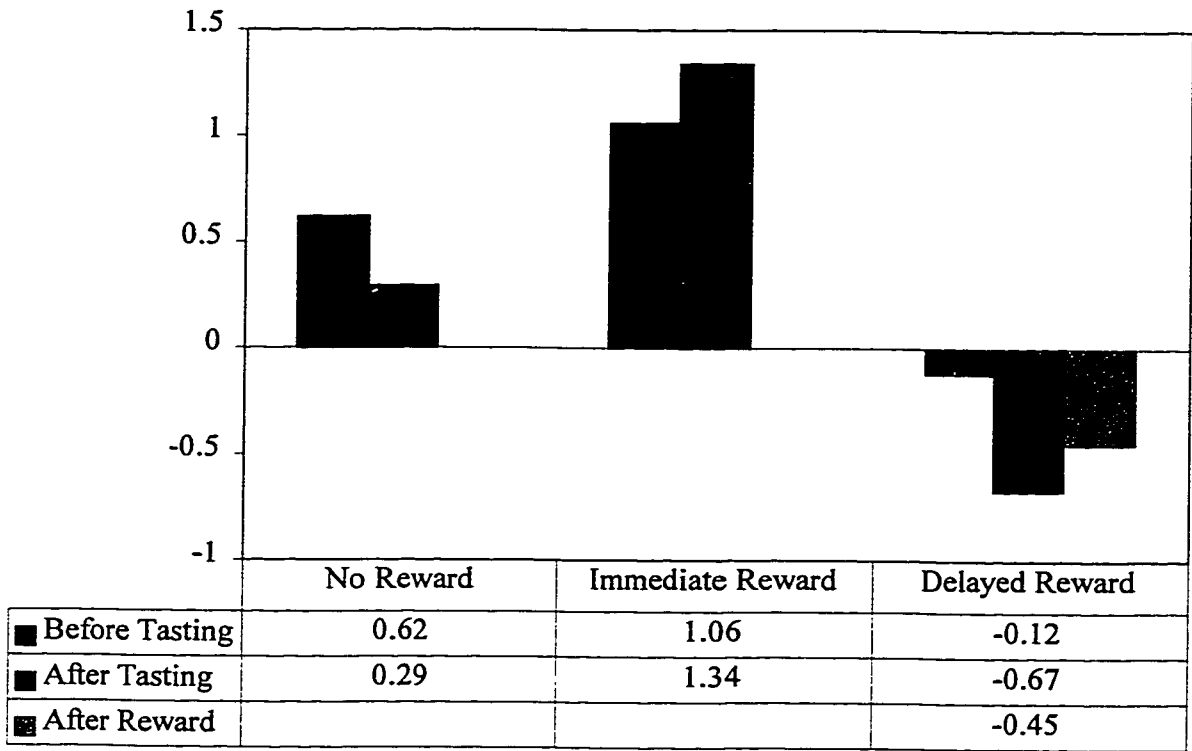
Note: Values with equivalent subscripts indicate significant differences. Additional data available in Appendix C.

**Figure 5**  
**Study 1 Product Satisfaction**



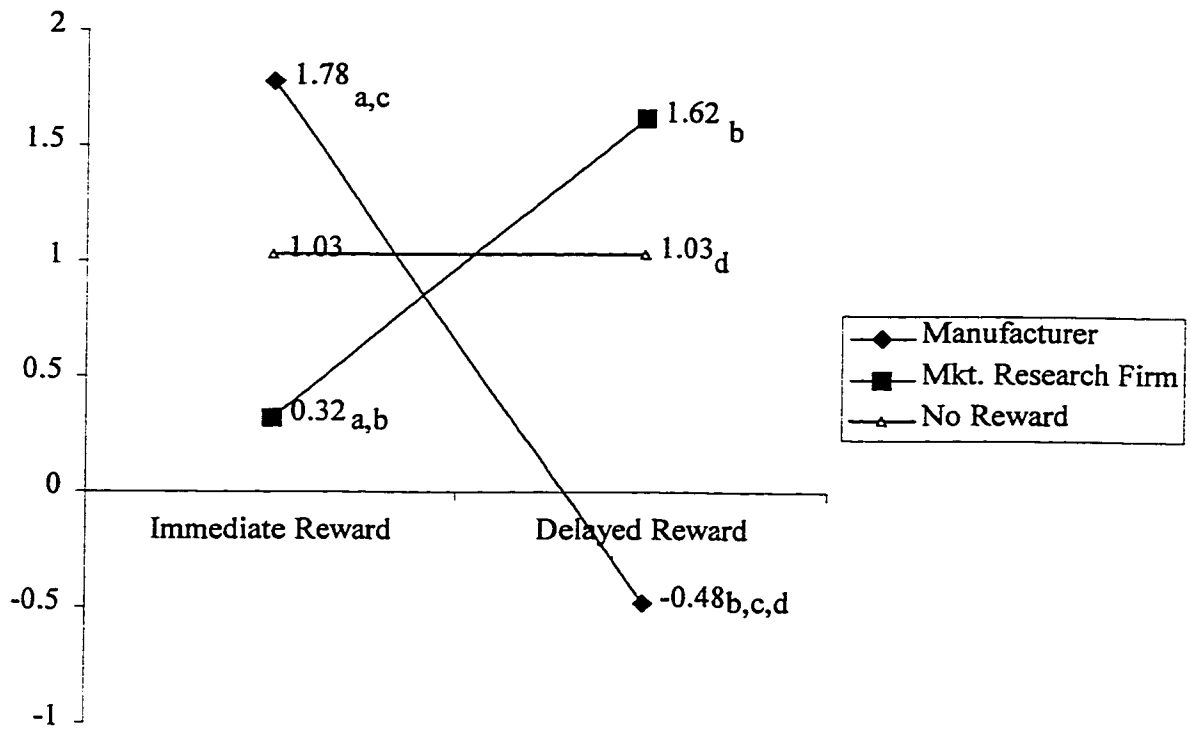
Note: Values with equivalent subscripts indicate significant differences. Additional data available in Appendix C.

**Figure 6**  
**Study 1 Satisfaction with Study**



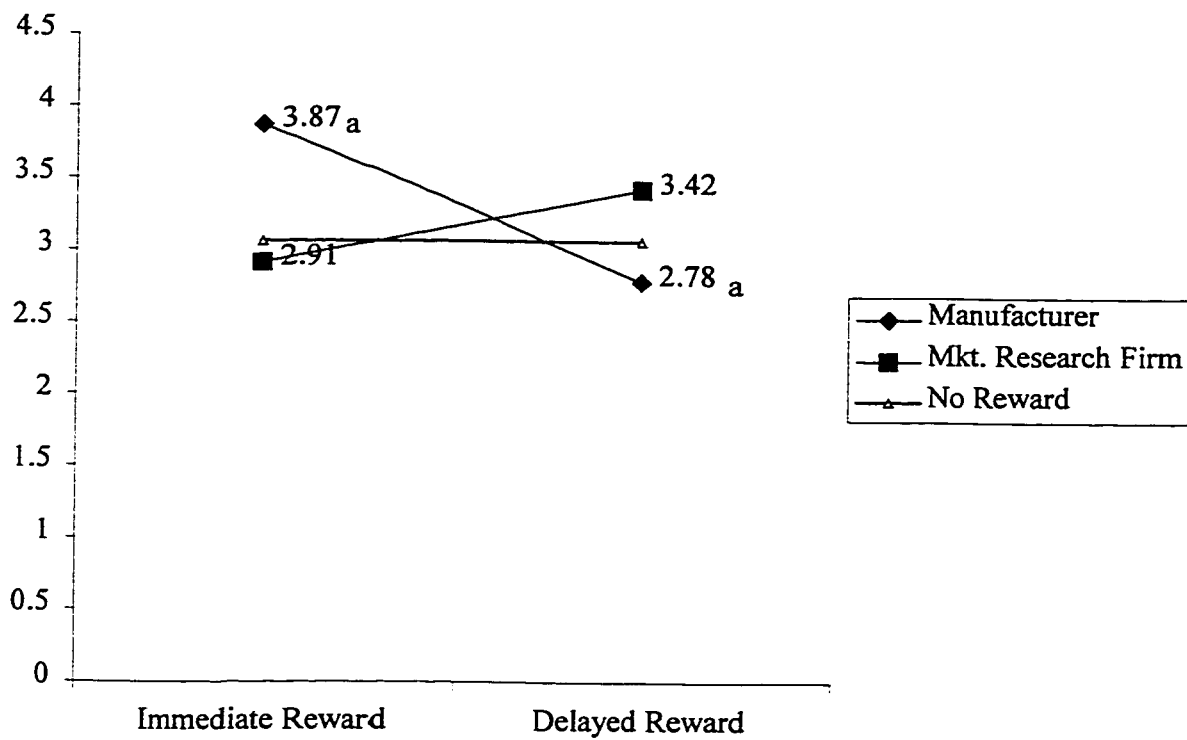
Note: Additional data available in Appendix C.

**Figure 7**  
**Study 1 Product Evaluations Before and After Tasting,**  
**And After Receiving Delayed Reward**



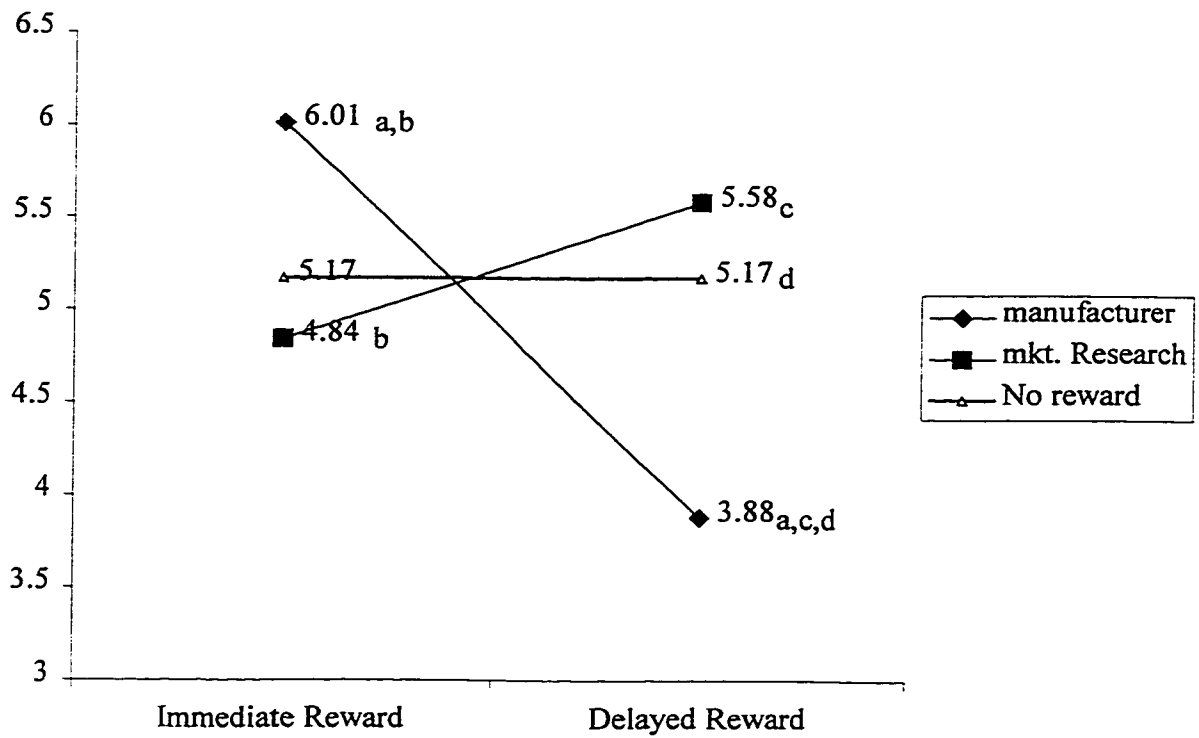
Note: Values with equivalent subscripts indicate significant differences. Additional data available in Appendix C.

**Figure 8**  
**Study 2 Post-Taste Evaluations**



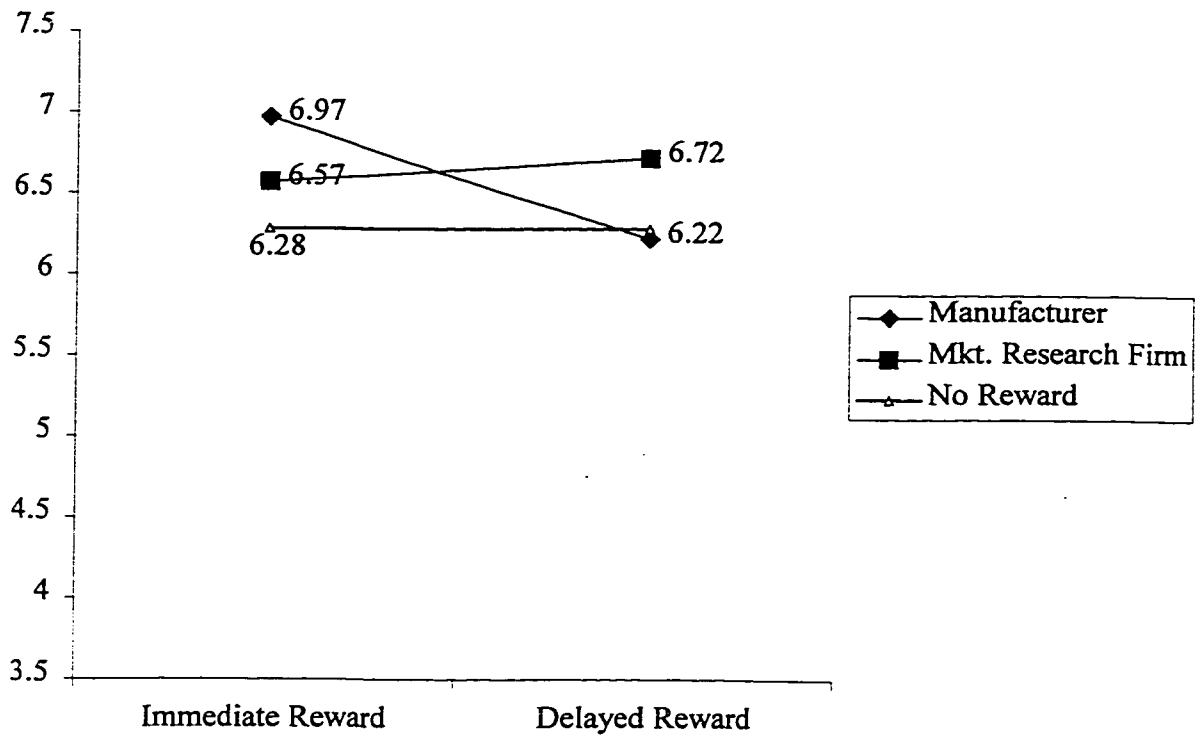
Note: Values with equivalent subscripts indicate significant differences. Additional data available in Appendix C.

**Figure 9**  
**Study 2 Purchase Intentions**



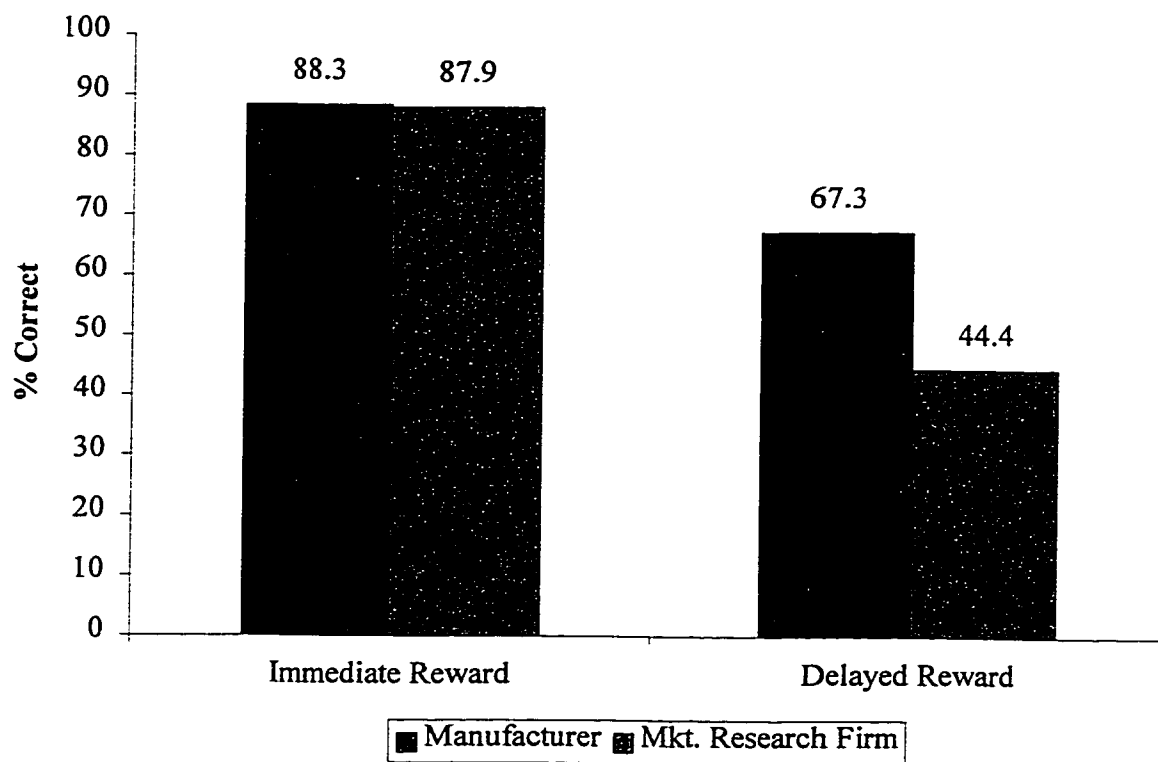
Note: Values with equivalent subscripts indicate significant differences. Additional data available in Appendix C.

**Figure 10**  
**Study 2 Product Satisfaction**



Note: No significant differences. Additional data available in Appendix C.

**Figure 11**  
**Study 2 Satisfaction with Study**



Note: Additional data available in Appendix C.

**Figure 12**  
**Study 2 Reward Source Recall Accuracy (%)**

## CONCLUSIONS AND THEORETICAL IMPLICATIONS

This research demonstrates that “the devil is in the details” with respect to the enhancing and undermining effects of rewards on product evaluations. A reward’s timing is an important determinant of the recipient’s attitudinal reaction, and the source of the reward moderates the reward timing effect. When an immediate reward is given from a product-related source, enhancement is obtained. When a source unrelated to the product provides the reward, however, the enhancement effects dissipate, presumably because the reward provides favorable information that is not considered issue relevant.

In their article comparing alternative approaches to research activities, Greenwald et al. (1986) describe the method of condition seeking. Using this method, researchers avoid overgeneralizing empirical findings by seeking to identify the specific conditions when a particular phenomenon occurs, rather than trying to conclusively “prove” an effect. In this dissertation, I used the method of condition seeking to identify some of the key promotional factors that determine when rewards enhance or undermine product evaluations. Two important promotional factors have emerged from this research – a reward’s timing and a reward’s source. Results from two separate experiments demonstrate that an immediate reward that is administered by a product-related source can significantly enhance product evaluations, while a delayed reward undermines evaluations. The second experiment provides evidence consistent with an explanation based on Promotional Enhancement Theory. When an immediate reward is administered by a source not related to the product, the reward no longer provides favorable information that is deemed relevant to the product, and enhancement effects are not

obtained. The finding that the source of the reward moderates the enhancement effect from an immediate reward not only demonstrates when enhancement will or will not occur, but also provides a theoretical account for the psychological processes that lead to enhancement. This research contributes not only to consumer behavior, but also social psychology. Prior research that has focused primarily on the deleterious effects of rewards on intrinsic motivation and other manifestations of recipient response provides a rich description of rewards' undermining effects. The theoretical approach presented in this study advances our understanding of when rewards have enhancing effects as well.

## MANAGERIAL IMPLICATIONS

The proposition that promotional rewards are damaging to brand equity is an overgeneralization. Properly designed and administered, sales promotions can have the well-known positive effect on initial brand choice, and can enhance consumer evaluative reactions to promoted products. Furthermore, results from this research offer evidence that marketers should exercise caution before concluding that delayed rewards are an attractive option because they can be used to influence choice, but are infrequently redeemed (Bulkeley 1998; Soman 1998). Although delayed rewards may appear more profitable, they may make unfavorable information about the reward and reward giver more salient thereby undermining consumer reactions. These insights demonstrate that although sales promotion research is voluminous, more investigation is necessary to clearly delineate how sales promotions can be designed and administered to build brand equity.

After reviewing this research readers may validly ask how these findings translate to actual promotional practice. What types of promotions should be used, and how should they be designed? Clearly, additional research both in the laboratory and field is necessary before unequivocal recommendations can be made. Results from these initial studies, however, do imply two strategies for enhancing product evaluations. First, firms should design promotions that elicit consumer perceptions of marketer goodwill. Second, they should minimize the salience of a promotion's task-contingency by maximizing consumer behavioral freedom. The latter recommendation is in contrast to prior

assertions in the literature that promotions requiring more effort from consumers would be more likely to enhance consumer evaluations and repurchase intentions (Dodson et al. 1978; Porter 1993). These prior studies were primarily based on the premise of self-perception theory, but this current research demonstrates that consumers rely on self-perception only in limited circumstances and under very specific conditions. The availability valence hypothesis and Promotional Enhancement Theory provide a far more robust theoretical explanation for promotional rewards and their effects on consumer attitudes and behaviors.

An important caveat regarding this research should be noted. This research and its associated experimental model were designed to maximize consumers' reliance on information provided in the promotional context. Thus, a product category was used with which consumers had little or no prior experience (seltzer water) or pre-established brand attitudes or loyalties. Furthermore, the name of the focal brand in these studies was concealed to minimize the impact of prior brand exposure. Because of these experimental characteristics, consumers in these studies possessed ambiguous attitudes towards the product category and the brands. Such circumstances would most likely resemble those when a reward is offered to promote a new product trial, in which consumers have little or no prior experience or pre-existing knowledge structures about the product. Prior research suggests that when consumers have highly accessible product and brand knowledge structures, rewards tend to impact consumers' product evaluations differently than in ambiguous contexts (Wood 1982; Tybout and Scott 1983). Tybout et al. (1983) rely on an information integration explanation (Anderson 1971) to suggest that

when consumers possess considerable internal knowledge about a product, rewards tend to enhance product evaluations because they provide additional favorable information about the product. These findings provide further evidence that promotional rewards undermine product evaluations in far more limited circumstances than some researchers have suggested.

## LIMITATIONS

One criticism that could be directed at these studies is their level of realism relative to promotional activity in the marketplace. These studies were designed to control for the host of other factors that could also impact consumer evaluations in order to isolate the effects of a promotion's timing and source. To control for consumer characteristics, subjects from a relatively homogenous sampling frame were randomly assigned to experimental treatment conditions. An identical product was used across both studies, an unfamiliar product category (seltzer water) was selected and the brand name of the product was concealed. This was done to control for product characteristics and prior brand-related attitudes and beliefs. The timing, location, and quantity of the purchase decision were controlled and did not vary across subjects in the study. To control for variation in choice behaviors, the choice scenario in the experiments was structured so that participants had the freedom to choose from more than one brand, but predominantly chose the focal brand. This design was not intended to test the effect of an incentive on initial brand choice (a positive effect is assumed based on considerable empirical evidence), but rather to reduce the potential for self-selection bias (Tybout and Scott 1983), so that the impact of the incentive on subsequent brand evaluations could be isolated from the effects of any other consumer, product, and purchase behavior characteristics.

Another anticipated criticism of this research is that a promotional scenario in which rewards are offered by a source unrelated to a product (e.g., a marketing research firm) lacks external generalizability. The choice of an unrelated source was necessary to

test the theoretical explanation that an immediate reward may invoke the norm of reciprocity towards the reward giver, thus favorably impacting product evaluations only when the reward giver is product related. The findings help explain how and why promotions in certain contexts may enhance or undermine product evaluations and are not intended to specifically support a marketplace action in which promotions would be offered by firms other than manufacturers. The results suggest that promotional offers may undermine product evaluations when consumers perceive that their choices and actions are being manipulated and controlled by product marketers.

## FUTURE RESEARCH

This dissertation was developed to construct and test a theory that is parsimonious, yet comprehensive enough to accommodate the wide variety of promotional tools in use today. Although further theory *testing* is necessary, future research should focus on theory *application* to demonstrate the usefulness of Promotional Enhancement Theory for designing promotions that induce favorable consumer behavioral and attitudinal response (see also Tybout et al. 1983, p. 283 for a discussion regarding these distinct research approaches). Both laboratory and field experimentation can be used to demonstrate how different types of promotions can influence brand choice and favorably impact product evaluations and post-reward choice behaviors. For example, findings from the current studies suggest that an instant-redeemable promotion will have more favorable effects than a rebate. A lab or field experiment can be implemented to test this prediction in an applied setting.

Despite some trade efforts to reduce the proliferation of consumer promotions (Narisetti 1996), promotional tools will always be an integral element of any marketing strategy because of their impact on consumer behavior. This dissertation and related future research will provide valuable insights for designing and implementing promotional offers that not only impact consumer brand choice, but also enhance consumer product evaluations and brand equity.

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## **APPENDIX A: EXPERIMENTAL PROCEDURE**

## Study 1 Procedure

### No reward condition

- make sure Ss have completed preceding study (make sure seltzer bottle has been slowly “bled” of air so it doesn’t explode on you!)
- distribute questionnaires, ask Ss to write their student numbers on the cover page
- *“This brief study is about consumer attitudes towards a new product. A beverage manufacturer is considering introducing a new brand of seltzer water and wants to obtain likely consumer reactions to it. This new brand of seltzer water is made with special, natural ingredients designed to give it a great taste. You will be given the opportunity to taste this new brand, and you will be asked to respond to several questions about your feelings towards the product.”*
- *“Although the company is testing a variety of products for competitive purposes, it is most interested in your reactions to the new brand. If for some reason you do not wish to try the new brand, however, you can try this store brand instead.”*
- *“Now that you have some information about the brands from which you can choose, I would like you to turn to the next page in your questionnaire and mark which brand you would like to taste by checking the appropriate box.”*
- Ss mark their selection.
- *“We would like to know how you feel about the brand you have chosen even before tasting it. Please turn to the next page in your questionnaire and answer the questions on that page only. When you are finished with these questions, I will distribute samples of your chosen brand for you to taste.”*
- Ss complete pre-sample evaluations
- After Ss are done with the pre-sample evaluations, walk around with individual cups marked “New Brand” and “Store Brand”, and give each Ss a cup corresponding to their choice. Then pour each Ss a sample of the product corresponding to their choice.
- *“You may taste your sample as soon as you receive it. Once you have tasted the product, you may turn to the next page of your questionnaire and proceed to answer the remaining questions in the questionnaire.”*
- Ss complete post-sample questions
- Collect questionnaires
- Debrief *“Thank you for participating in this study. I would like to ask one more favor from you. Please do not discuss this study with anyone outside this room, as I will be running this study with many more students throughout the quarter.”*

### Immediate Reward condition

- make sure Ss have completed preceding study (make sure seltzer bottle has been slowly “bled” of air so it doesn’t explode on you!)
- distribute questionnaires, ask Ss to write their student numbers on the cover page
- *“This brief study is about consumer attitudes towards a new product. A beverage manufacturer is considering introducing a new brand of seltzer water and wants to obtain likely consumer reactions to it. This new brand of seltzer water is made with special, natural ingredients designed to give it a great taste. You will be given the opportunity to taste this new brand, and you will be asked to respond to several questions about your feelings towards the product.”*
- *“Although the company is testing a variety of products for competitive purposes, it is most interested in your reactions to the new brand. In order to maximize the number of people who taste the new brand, the company is offering an extra incentive. Everyone who agrees to try the new brand will also receive a one dollar bill [display a dollar bill]. If for some reason you do not wish to try the new brand, however, you can try this store brand instead.”*
- *“Now that you have some information about the brands from which you can choose, I would like you to turn to the next page in your questionnaire and mark which brand you would like to taste by checking the appropriate box. I will then walk around and give a dollar bill to everyone who chooses to taste the new brand.”*
- Ss mark their selection. Walk around and give a dollar bill to everyone who has chosen the new brand.
- *“We would like to know how you feel about the brand you have chosen even before tasting it. Please turn to the next page in your questionnaire and answer the questions on that page only. When you are finished with these questions, I will distribute samples of your chosen brand for you to taste.”*
- Ss complete pre-sample evaluations
- After Ss are done with the pre-sample evaluations, walk around with individual cups marked “New Brand” and “Store Brand”, and give each Ss a cup corresponding to their choice. Then pour each Ss a sample of the product corresponding to their choice.
- *“You may taste your sample as soon as you receive it. Once you have tasted the product, you may turn to the next page of your questionnaire and proceed to answer the remaining questions in the questionnaire.”*
- Ss complete post-sample questions
- Collect questionnaires
- Debrief *“Thank you for participating in this study. I would like to ask one more favor from you. Please do not discuss this study with anyone outside this room, as I will be running this study with many more students throughout the quarter.”*

## Delayed Reward condition

- make sure Ss have completed preceding study (make sure seltzer bottle has been slowly “bled” of air so it doesn’t explode on you!)
- distribute first questionnaires, ask Ss to write their student numbers
- *“This brief study is about consumer attitudes towards a new product. A beverage manufacturer is considering introducing a new brand of seltzer water and wants to obtain likely consumer reactions to it. This new brand of seltzer water is made with special, natural ingredients designed to give it a great taste. You will be given the opportunity to taste this new brand, and you will be asked to respond to several questions about your feelings towards the product.”*
- *“Although the company is testing a variety of products for competitive purposes, it is most interested in your reactions to the new brand. In order to maximize the number of people who taste the new brand, the company is offering an extra incentive. Everyone who agrees to try the new brand will also receive one dollar at the end of the study. If for some reason you do not wish to try the new brand, however, you can try this store brand instead.”*
- *“Now that you have some information about the brands from which you can choose, I would like you to turn to the next page in your questionnaire and mark which brand you would like to taste by checking the appropriate box.”*
- Ss mark their selection.
- *“We would like to know how you feel about the brand you have chosen even before tasting it. Please turn to the next page in your questionnaire and answer the questions on that page only. When you are finished with these questions, I will distribute samples of your chosen brand for you to taste.”*
- Ss complete pre-sample evaluations
- After Ss are done with the pre-sample evaluations, walk around with individual cups marked “New Brand” and “Store Brand”, and give each Ss a cup corresponding to their choice. Then pour each Ss a sample of the product corresponding to their choice.
- *“You may taste your sample as soon as you receive it. Once you have tasted the product, you may turn to the next page of your questionnaire and proceed to answer the remaining questions in the questionnaire.”*
- Ss complete post-sample questions
- *“I will now walk around and give a one dollar bill to everyone who chose to sample the new brand. Show me your cup to indicate which brand you tasted. I will also collect your questionnaire.”*
- Walk around and give a dollar bill to everyone who has chosen the new brand. Also, collect first questionnaire.
- *“Before you leave, I will distribute an additional questionnaire that I would like you to complete. Be sure to write your student number on the cover and answer all the questions in the questionnaire.”*
- Distribute second questionnaire and collect when finished.
- Debrief *“Thank you for participating in this study. I would like to ask one more favor from you. Please do not discuss this study with anyone outside this room, as I will be running this study with many more students throughout the quarter.”*

## Study 2 Verbal Instructions

Although the **(beverage manufacturer / independent marketing research company)** is testing a variety of products for competitive purposes, it is most interested in your reactions to the new brand. In order to maximize the number of people who taste the new brand, an extra incentive is being offered. Everyone who agrees to try the new brand will also receive a one dollar bill from the **(beverage manufacturer / independent marketing research company)** **{at the end of the study / –}** **(Please keep in mind that the independent marketing research company that is offering the reward is not affiliated in any way with the brands being tested, or with the manufacturer of any brands in the product category / –).**

( ) = Source Manipulation

{ } = Timing Manipulation

## Study 2 Procedure

### No reward condition

- Place one bottle of the Safeway brand, and one bottle of the disguised brand on the table in front of you. Slowly open the caps of both brands to avoid an explosion.
- distribute questionnaires, ask Ss to write their student numbers on the cover page
- *"This brief study is about consumer attitudes towards a new product. A beverage manufacturer is considering introducing a new brand of seltzer water and wants to obtain consumer reactions to it. This new brand of seltzer water is made with special, natural ingredients designed to give it a great taste. You will be given the opportunity to taste this new brand, and you will be asked to respond to several questions about your feelings towards the product."*
- *"Although the beverage manufacturer is testing a variety of products for competitive purposes, it is most interested in your reactions to the new brand. If for some reason you do not wish to try the new brand, however, you can try this store brand instead."*
- *"Now that you have some information about the brands from which you can choose, I would like you to turn to the next page in your questionnaire and mark which brand you would like to taste by checking the appropriate box."*
- Ss mark their selection.
- *"We would like to know how you feel about the brand you have chosen even before tasting it. Please turn to the next page in your questionnaire and answer the questions on that page only. When you are finished with these questions, I will distribute samples of your chosen brand for you to taste."*
- As Ss complete pre-sample evaluations, individually give each Ss a cup.
- After Ss are done with the pre-sample evaluations, pour each Ss a sample of the product corresponding to their choice. When you walk around, always carry both brands.
- While pouring samples, say: *"You may taste your sample as soon as you receive it. Once you have tasted the product, you may turn to the next page of your questionnaire and proceed to answer the remaining questions in the questionnaire."*
- Ss complete post-sample questions
- Collect questionnaires
- Debrief *"Thank you for participating in this study. I'd like to tell you some more about this study before we move on to the next one. The purpose of this study is to examine how consumers respond to products under different circumstances. In your case, you were told that a company was conducting a tasting study, but you were actually participating in an academic study that is testing how different circumstances lead consumers to evaluate products differently. Results from this study will contribute to our understanding of consumer psychology. Because I will be running this study throughout the next few weeks, I would like to ask you not to discuss this study with anyone outside this room. If you have any questions or comments about this research, please feel free to talk to me, either at the end of our session today, or anytime in the near future. Your participation in this research is greatly appreciated, and extremely beneficial for developing marketing knowledge."*

### Immediate Reward From Manufacturer condition

- Place one bottle of the Safeway brand, and one bottle of the disguised brand on the table in front of you. Slowly open the caps of both brands to avoid an explosion.
- distribute questionnaires, ask Ss to write their student numbers on the cover page
- *"This brief study is about consumer attitudes towards a new product. A beverage manufacturer is considering introducing a new brand of seltzer water and wants to obtain consumer reactions to it. This new brand of seltzer water is made with special, natural ingredients designed to give it a great taste. You will be given the opportunity to taste this new brand, and you will be asked to respond to several questions about your feelings towards the product."*
- *"Although the beverage manufacturer is testing a variety of products for competitive purposes, it is most interested in your reactions to the new brand. In order to maximize the number of people who taste the new brand, the beverage manufacturer is offering an extra incentive. Everyone who agrees to try the new brand will also receive a one dollar bill. If for some reason you do not wish to try the new brand, however, you can try this store brand instead."*
- *"Now that you have some information about the brands from which you can choose, I would like you to turn to the next page in your questionnaire and mark which brand you would like to taste by checking the appropriate box. I will then walk around and give a dollar bill to everyone who chooses to taste the new brand."*
- Ss mark their selection. Walk around and give a dollar bill to everyone who has chosen the new brand.
- *"We would like to know how you feel about the brand you have chosen even before tasting it. Please turn to the next page in your questionnaire and answer the questions on that page only. When you are finished with these questions, I will distribute samples of your chosen brand for you to taste."*
- As Ss complete pre-sample evaluations, individually give each Ss a cup.
- After Ss are done with the pre-sample evaluations, pour each Ss a sample of the product corresponding to their choice. When you walk around, always carry both brands.
- While pouring samples, say: *"You may taste your sample as soon as you receive it. Once you have tasted the product, you may turn to the next page of your questionnaire and proceed to answer the remaining questions in the questionnaire."*
- Ss complete post-sample questions
- Collect questionnaires
- Debrief *"Thank you for participating in this study. I'd like to tell you some more about this study before we move on to the next one. The purpose of this study is to examine how consumers respond to products under different circumstances. In your case, you were told that a company was conducting a tasting study, but you were actually participating in an academic study that is testing how different circumstances lead consumers to evaluate products differently. Results from this study will contribute to our understanding of consumer psychology. Because I will be running this study throughout the next few weeks, I would like to ask you not to discuss this study with anyone outside this room. If you have any questions or comments about this research, please feel free to talk to me, either at the end of our session today, or anytime in the near future. Your participation in this research is greatly appreciated, and extremely beneficial for developing marketing knowledge."*

### Delayed Reward From Manufacturer condition

- Place one bottle of the Safeway brand, and one bottle of the disguised brand on the table in front of you. Slowly open the caps of both brands to avoid an explosion.
- distribute first questionnaires, ask Ss to write their student numbers on the cover page
- *“This brief study is about consumer attitudes towards a new product. A beverage manufacturer is considering introducing a new brand of seltzer water and wants to obtain consumer reactions to it. This new brand of seltzer water is made with special, natural ingredients designed to give it a great taste. You will be given the opportunity to taste this new brand, and you will be asked to respond to several questions about your feelings towards the product.”*
- *“Although the beverage manufacturer is testing a variety of products for competitive purposes, it is most interested in your reactions to the new brand. In order to maximize the number of people who taste the new brand, the beverage manufacturer is offering an extra incentive. Everyone who agrees to try the new brand will also receive a one dollar bill at the end of the study. If for some reason you do not wish to try the new brand, however, you can try this store brand instead.”*
- *“Now that you have some information about the brands from which you can choose, I would like you to turn to the next page in your questionnaire and mark which brand you would like to taste by checking the appropriate box.”*
- Ss mark their selection.
- *“We would like to know how you feel about the brand you have chosen even before tasting it. Please turn to the next page in your questionnaire and answer the questions on that page only. When you are finished with these questions, I will distribute samples of your chosen brand for you to taste.”*
- As Ss complete pre-sample evaluations, individually give each Ss a cup.
- After Ss are done with the pre-sample evaluations, pour each Ss a sample of the product corresponding to their choice. When you walk around, always carry both brands.
- While pouring samples, say: *“You may taste your sample as soon as you receive it. Once you have tasted the product, you may turn to the next page of your questionnaire and proceed to answer the remaining questions in the questionnaire.”*
- Ss complete post-sample questions
- *“I will now walk around and give a one dollar bill to everyone who chose to sample the new brand. I will also collect your questionnaire.”*
- Walk around and give a dollar bill to everyone who has chosen the new brand.
- Collect questionnaire.
- Debrief *“Thank you for participating in this study. I’d like to tell you some more about this study before we move on to the next one. The purpose of this study is to examine how consumers respond to products under different circumstances. In your case, you were told that a company was conducting a tasting study, but you were actually participating in an academic study that is testing how different circumstances lead consumers to evaluate products differently. Results from this study will contribute to our understanding of consumer psychology. Because I will be running this study throughout the next few weeks, I would like to ask you not to discuss this study with anyone outside this room. If you have any questions or comments about this research, please feel free to talk to me, either at the end of our session today, or anytime in the near future. Your participation in this research is greatly appreciated, and extremely beneficial for developing marketing knowledge.”*

### Immediate Reward From Market Research Firm condition

- Place one bottle of the Safeway brand, and one bottle of the disguised brand on the table in front of you. Slowly open the caps of both brands to avoid an explosion.
- distribute questionnaires, ask Ss to write their student numbers on the cover page
- *"This brief study is about consumer attitudes towards a new product. An independent marketing research firm is testing consumer reaction to a new brand of seltzer water. This new brand of seltzer water is made with special, natural ingredients designed to give it a great taste. You will be given the opportunity to taste this new brand, and you will be asked to respond to several questions about your feelings towards the product."*
- *"Although the independent marketing research company is testing a variety of products for its research, it is most interested in your reactions to the new brand. In order to maximize the number of people who taste the new brand, the independent marketing research company is offering an extra incentive. Everyone who agrees to try the new brand will also receive a one dollar bill from the independent marketing research company. If for some reason you do not wish to try the new brand, however, you can try this store brand instead."*
- *"Now that you have some information about the brands from which you can choose, I would like you to turn to the next page in your questionnaire and mark which brand you would like to taste by checking the appropriate box. I will then walk around and give a dollar bill to everyone who chooses to taste the new brand. [Pause for a moment to let Ss mark their choice] Please keep in mind that the independent marketing research company that is offering the reward is not affiliated in any way with the brands being tested, or with the manufacturer of any brands in the product category."*
- Ss mark their selection. Walk around and give a dollar bill to everyone who has chosen the new brand.
- *"We would like to know how you feel about the brand you have chosen even before tasting it. Please turn to the next page in your questionnaire and answer the questions on that page only. When you are finished with these questions, I will distribute samples of your chosen brand for you to taste."*
- As Ss complete pre-sample evaluations, individually give each Ss a cup.
- After Ss are done with the pre-sample evaluations, pour each Ss a sample of the product corresponding to their choice. When you walk around, always carry both brands.
- While pouring samples, say: *"You may taste your sample as soon as you receive it. Once you have tasted the product, you may turn to the next page of your questionnaire and proceed to answer the remaining questions in the questionnaire."*
- Ss complete post-sample questions
- Collect questionnaires
- Debrief *"Thank you for participating in this study. I'd like to tell you some more about this study before we move on to the next one. The purpose of this study is to examine how consumers respond to products under different circumstances. In your case, you were told that an independent marketing research company was conducting a tasting study, but you were actually participating in an academic study that is testing how different circumstances lead consumers to evaluate products differently. Results from this study will contribute to our understanding of consumer psychology. Because I will be running this study throughout the next few weeks, I would like to ask you not to discuss this study with anyone outside this room. If you have any questions or comments about this research, please feel free to talk to me, either at the end of our session today, or anytime in the near future. Your participation in this research is greatly appreciated, and extremely beneficial for developing marketing knowledge."*

### Delayed Reward From Market Research Firm condition

- Place one bottle of the Safeway brand, and one bottle of the disguised brand on the table in front of you. Slowly open the caps of both brands to avoid an explosion.
- distribute questionnaires, ask Ss to write their student numbers on the cover page
- *"This brief study is about consumer attitudes towards a new product. An independent marketing research firm is testing consumer reaction to a new brand of seltzer water. This new brand of seltzer water is made with special, natural ingredients designed to give it a great taste. You will be given the opportunity to taste this new brand, and you will be asked to respond to several questions about your feelings towards the product."*
- *"Although the independent marketing research company is testing a variety of products for its research, it is most interested in your reactions to the new brand. In order to maximize the number of people who taste the new brand, the independent marketing research company is offering an extra incentive. Everyone who agrees to try the new brand will also receive a one dollar bill from the independent marketing research company at the end of the study. If for some reason you do not wish to try the new brand, however, you can try this store brand instead."*
- *"Now that you have some information about the brands from which you can choose, I would like you to turn to the next page in your questionnaire and mark which brand you would like to taste by checking the appropriate box."*
- Ss mark their selection.
- *"We would like to know how you feel about the brand you have chosen even before tasting it. Please turn to the next page in your questionnaire and answer the questions on that page only. When you are finished with these questions, I will distribute samples of your chosen brand for you to taste."*
- As Ss complete pre-sample evaluations, individually give each Ss a cup.
- After Ss are done with the pre-sample evaluations, pour each Ss a sample of the product corresponding to their choice. When you walk around, always carry both brands.
- While pouring samples, say: *"You may taste your sample as soon as you receive it. Once you have tasted the product, you may turn to the next page of your questionnaire and proceed to answer the remaining questions in the questionnaire."*
- Ss complete post-sample questions
- *"I will now walk around and give a one dollar bill to everyone who chose to sample the new brand. I will also collect your questionnaire. Please keep in mind that the independent marketing research company that is offering the reward is not affiliated in any way with the brands being tested, or with the manufacturer of any brands in the product category."*
- Walk around and give a dollar bill to everyone who has chosen the new brand.
- Collect first questionnaire.
- Debrief *"Thank you for participating in this study. I'd like to tell you some more about this study before we move on to the next one. The purpose of this study is to examine how consumers respond to products under different circumstances. In your case, you were told that an independent marketing research company was conducting a tasting study, but you were actually participating in an academic study that is testing how different circumstances lead consumers to evaluate products differently. Results from this study will contribute to our understanding of consumer psychology. Because I will be running this study throughout the next few weeks, I would like to ask you not to discuss this study with anyone outside this room. If you have any questions or comments about this research, please feel free to talk to me, either at the end of our session today, or anytime in the near future. Your participation in this research is greatly appreciated, and extremely beneficial for developing marketing knowledge."*

## **APPENDIX B: EXPERIMENTAL STIMULI**

Study 1 Survey Booklet Used Across All Conditions

Please Provide us With Your Student Number: \_\_\_\_\_

**DO NOT OPEN THIS BOOKLET  
UNTIL YOU HAVE BEEN  
INSTRUCTED TO DO SO.**

**MARKET RESEARCH STUDY:  
BRAND CHOICE**

Please check one of the boxes below to indicate which brand of seltzer water you would like to taste.

I would like to taste the new brand of seltzer water

I would like to taste the store brand of seltzer water

**DO NOT TURN TO THE NEXT PAGE  
UNTIL YOU ARE INSTRUCTED TO  
DO SO.**

## MARKET RESEARCH STUDY: PRE-SAMPLE QUESTIONS

On the basis of the information you have now and your expectations about the product, please describe your feelings about the brand of seltzer water you have chosen to taste.

(please circle one number for each pair of descriptive terms)

I think the brand of seltzer water I have chosen to taste is...

Not											Desirable
Desirable	-5	-4	-3	-2	-1	0	1	2	3	4	5
Bad											Good
Tasting	-5	-4	-3	-2	-1	0	1	2	3	4	5
Not											Satisfying
Satisfying	-5	-4	-3	-2	-1	0	1	2	3	4	5
Not											Refreshing
Refreshing	-5	-4	-3	-2	-1	0	1	2	3	4	5
Low											High
quality	-5	-4	-3	-2	-1	0	1	2	3	4	5
-5	-4	-3	-2	-1	0	1	2	3	4	5	High quality

**DO NOT TURN TO THE NEXT PAGE UNTIL YOU  
ARE INSTRUCTED TO DO SO.**

## MARKET RESEARCH STUDY: POST-SAMPLE QUESTIONS

Please describe your feelings about the brand of seltzer water you just tasted.

(please circle one number for each pair of descriptive terms)

I think the brand of seltzer water I just tasted is...

Not Desirable	-5	-4	-3	-2	-1	0	1	2	3	4	Desirable 5
Bad Tasting	-5	-4	-3	-2	-1	0	1	2	3	4	Good Tasting 5
Not Satisfying	-5	-4	-3	-2	-1	0	1	2	3	4	Satisfying 5
Not Refreshing	-5	-4	-3	-2	-1	0	1	2	3	4	Refreshing 5
Low quality	-5	-4	-3	-2	-1	0	1	2	3	4	High quality 5

**YOU MAY TURN TO THE NEXT PAGE**

If there were 12 ounce bottles of the new brand of seltzer water available in this room for \$1.00, how likely is it that you would purchase a bottle? (please check one box)

---

<b>I definitely would <u>not</u> purchase a bottle</b>	<input type="checkbox"/>	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	5	<input type="checkbox"/>	6	<input type="checkbox"/>	7	<input type="checkbox"/>	8	<input type="checkbox"/>	9	<input type="checkbox"/>	10	<b>I definitely would purchase a bottle</b>
--	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	----	---

---

How satisfied were you with the seltzer water you tasted? (please check one box)

---

<b>Very dissatisfied</b>	<input type="checkbox"/>	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	5	<input type="checkbox"/>	6	<input type="checkbox"/>	7	<input type="checkbox"/>	8	<input type="checkbox"/>	9	<input type="checkbox"/>	10	<b>Very satisfied</b>
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How satisfied were you overall with the taste test study itself?

---

<b>Very dissatisfied</b>	<input type="checkbox"/>	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	5	<input type="checkbox"/>	6	<input type="checkbox"/>	7	<input type="checkbox"/>	8	<input type="checkbox"/>	9	<input type="checkbox"/>	10	<b>Very satisfied</b>
------------------------------	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	----	---------------------------

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**You have completed the study. You may close this booklet now and return it to the researcher.**

**Thank you for participating!**

## Study 1 Post-Taste Evaluation Measure Used in Delayed Reward Condition

Please Provide us With Your Student Number: \_\_\_\_\_

**YOU MAY OPEN THIS BOOKLET  
IMMEDIATELY  
AND ANSWER ALL THE QUESTIONS  
IN IT.**



## Study 2 Survey Booklet Used Across All Reward Conditions

Please Provide us With Your Student Number: \_\_\_\_\_

**DO NOT OPEN THIS BOOKLET  
UNTIL YOU HAVE BEEN  
INSTRUCTED TO DO SO.**

**MARKET RESEARCH STUDY:  
BRAND CHOICE**

Please check one of the boxes below to indicate which brand of seltzer water you would like to taste.

I would like to taste the new brand of seltzer water

I would like to taste the store brand of seltzer water

**DO NOT TURN TO THE NEXT PAGE  
UNTIL YOU ARE INSTRUCTED TO  
DO SO.**

## MARKET RESEARCH STUDY: PRE-SAMPLE QUESTIONS

On the basis of the information you have now and your expectations about the product, please describe your feelings about the brand of seltzer water you have chosen to taste.

(please circle one number for each pair of descriptive terms)

I think the brand of seltzer water I have chosen to taste is...

Not Desirable	-5	-4	-3	-2	-1	0	1	2	3	4	5	Desirable
Bad Tasting	-5	-4	-3	-2	-1	0	1	2	3	4	5	Good Tasting
Not Satisfying	-5	-4	-3	-2	-1	0	1	2	3	4	5	Satisfying
Not Refreshing	-5	-4	-3	-2	-1	0	1	2	3	4	5	Refreshing
Low quality	-5	-4	-3	-2	-1	0	1	2	3	4	5	High quality

**DO NOT TURN TO THE NEXT PAGE UNTIL YOU  
ARE INSTRUCTED TO DO SO.**

## MARKET RESEARCH STUDY: POST-SAMPLE QUESTIONS

Please describe your feelings about the brand of seltzer water you just tasted.

(please circle one number for each pair of descriptive terms)

I think the brand of seltzer water I just tasted is...

Not Desirable	-5	-4	-3	-2	-1	0	1	2	3	Desirable	4	5
Bad Tasting	-5	-4	-3	-2	-1	0	1	2	3	Good Tasting	4	5
Not Satisfying	-5	-4	-3	-2	-1	0	1	2	3	Satisfying	4	5
Not Refreshing	-5	-4	-3	-2	-1	0	1	2	3	Refreshing	4	5
Low quality	-5	-4	-3	-2	-1	0	1	2	3	High quality	4	5

**YOU MAY TURN TO THE NEXT PAGE**

If there were 12 ounce bottles of the new brand of seltzer water available in this room for \$1.00, how likely is it that you would purchase a bottle?  
(please check one box)

---

<b>I definitely would <u>not</u> purchase a bottle</b>	<input type="checkbox"/>	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	5	<input type="checkbox"/>	6	<input type="checkbox"/>	7	<input type="checkbox"/>	8	<input type="checkbox"/>	9	<input type="checkbox"/>	10	<b>I definitely would purchase a bottle</b>
--	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	----	---

---

How satisfied were you with the seltzer water you tasted? (please check one box)

---

<b>Very dissatisfied</b>	<input type="checkbox"/>	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	5	<input type="checkbox"/>	6	<input type="checkbox"/>	7	<input type="checkbox"/>	8	<input type="checkbox"/>	9	<input type="checkbox"/>	10	<b>Very satisfied</b>
------------------------------	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	----	---------------------------

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How satisfied were you overall with the tasting study itself?

---

<b>Very dissatisfied</b>	<input type="checkbox"/>	1	<input type="checkbox"/>	2	<input type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	5	<input type="checkbox"/>	6	<input type="checkbox"/>	7	<input type="checkbox"/>	8	<input type="checkbox"/>	9	<input type="checkbox"/>	10	<b>Very satisfied</b>
------------------------------	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	---	--------------------------	----	---------------------------

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According to your own recollection, who provided the reward? (please check only one) [Study 2 Survey Booklet Used In the No-Reward Condition Excluded this question]

- I don't remember
- The manufacturer of the new brand of seltzer water
- The manufacturer of the store brand of seltzer water
- An independent marketing research firm
- Someone else (please specify) \_\_\_\_\_

**YOU MAY TURN TO THE NEXT PAGE**

**MARKET RESEARCH STUDY:  
YOUR THOUGHTS**

Please list all your thoughts pertaining to this study. Do not refer back to information provided in this booklet. Use one numbered space for each thought. These thoughts may pertain to the seltzer water you tasted, seltzer water in general, your reasons for choosing to taste one brand or the other, the manner in which this study was run, or any other thoughts that occurred to you during the course of this study or which are now occurring. Feel free to take about 10 minutes to record your thoughts.

- 1. \_\_\_\_\_  
\_\_\_\_\_
- 2. \_\_\_\_\_  
\_\_\_\_\_
- 3. \_\_\_\_\_  
\_\_\_\_\_
- 4. \_\_\_\_\_  
\_\_\_\_\_
- 5. \_\_\_\_\_  
\_\_\_\_\_
- 6. \_\_\_\_\_  
\_\_\_\_\_
- 7. \_\_\_\_\_  
\_\_\_\_\_
- 8. \_\_\_\_\_  
\_\_\_\_\_

**PLEASE TURN TO THE NEXT PAGE**

**You have completed the study. You may close this booklet now and the researcher will collect it when everyone else has finished.**

**Thank you for participating!**

**APPENDIX C: ADDITIONAL DATA AND ANALYSES**

## Study 1 Descriptives

Condition		Dependent Measure				
		Pre-Taste Evaluation	Post-Taste Evaluation	Purchase Intentions	Product Satisfaction	Satisfaction With Study
No Reward	Mean	0.62	0.29	3.09	5.01	5.43
	N (cell size)	86	86	86	86	86
	Std. Deviation	2.1549	2.9799	2.5788	2.7461	2.7972
Immediate Reward	Mean	1.06	1.35	3.88	5.91	7.58
	N	64	65	65	65	65
	Std. Deviation	1.7129	2.5669	2.8642	2.5417	1.8783
Delayed Reward	Mean	-0.12	-0.66	2.41	4.06	6.22
	N	86	86	86	86	86
	Std. Deviation	2.3341	2.8872	2.272	2.6362	2.6807
Total	Mean	0.4686	0.2346	3.0591	4.9114	6.308
	N	236	237	237	237	237
	Std. Deviation	2.1599	2.9363	2.6112	2.741	2.6637

Study 1 ANOVA Results and Planned Contrasts

Dependent Variable: Pre-Taste Evaluations

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	53.69	2	26.845	5.999	0.003
Within Groups	1042.598	233	4.475		
Total	1096.288	235			

Dependent Variable: Post-Taste Evaluations

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	149.68	2	74.84	9.29	0.000
Within Groups	1885.036	234	8.056		
Total	2034.716	236			

Dependent Variable: Purchase Intentions

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	80.146	2	40.073	6.133	0.003
Within Groups	1529.027	234	6.534		
Total	1609.173	236			

Dependent Variable: Product Satisfaction

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	127.995	2	63.998	9.103	0.000
Within Groups	1645.144	234	7.031		
Total	1773.139	236			

Dependent Variable: Satisfaction with the Study

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	172.846	2	86.423	13.47	0.000
Within Groups	1501.668	234	6.417		
Total	1674.515	236			

Contrast 1: No reward (control) condition versus immediate reward condition -- Test of Hypothesis H1

Contrast 2: No reward (control) condition versus delayed reward condition -- Test of Hypothesis H2

Contrast 3: Immediate reward condition versus delayed reward condition

**Dependent Variable: Pre-Taste Evaluations**

	Contrast	Value of Contrast	Std. Error	t	df	Sig. (2-tailed)
Assume equal variances	1	-0.4376	0.3492	-1.253	233.000	0.211
	2	0.7372	0.3226	2.285	233.000	0.023
	3	1.1749	0.3492	3.364	233.000	0.001
Does not assume equal variances	1	-0.4376	0.316	-1.385	147.324	0.168
	2	0.7372	0.3426	2.152	168.926	0.033
	3	1.1749	0.3304	3.555	147.979	0.001

**Dependent Variable: Post-Taste Evaluations**

	Contrast	Value of Contrast	Std. Error	t	df	Sig. (2-tailed)
Assume equal variances	1	-1.0593	0.4665	-2.271	234.000	0.024
	2	0.9488	0.4328	2.192	234.000	0.029
	3	2.0082	0.4665	4.305	234.000	0.000
Does not assume equal variances	1	-1.0593	0.4524	-2.342	146.407	0.021
	2	0.9488	0.4474	2.121	169.831	0.035
	3	2.0082	0.4453	4.51	145.052	0.000

**Dependent Variable: Purchase Intentions**

	Contrast	Value of Contrast	Std. Error	t	df	Sig. (2-tailed)
Assume equal variances	1	-0.7839	0.4201	-1.866	234.000	0.063
	2	0.686	0.3898	1.76	234.000	0.080
	3	1.4699	0.4201	3.499	234.000	0.001
Does not assume equal variances	1	-0.7839	0.4511	-1.738	129.771	0.085
	2	0.686	0.3706	1.851	167.343	0.066
	3	1.4699	0.4315	3.406	119.072	0.001

**Dependent Variable: Product Satisfaction**

	Contrast	Value of Contrast	Std. Error	t	df	Sig. (2-tailed)
Assume equal variances	1	-0.8961	0.4358	-2.056	234.000	0.041
	2	0.9535	0.4044	2.358	234.000	0.019
	3	1.8496	0.4358	4.244	234.000	0.000
Does not assume equal variances	1	-0.8961	0.4325	-2.072	142.961	0.040
	2	0.9535	0.4105	2.323	169.717	0.021
	3	1.8496	0.4245	4.357	140.465	0.000

**Dependent Variable: Satisfaction with the Study**

	Contrast	Value of Contrast	Std. Error	t	df	Sig. (2-tailed)
Assume equal variances	1	-2.1544	0.4164	-5.174	234.000	0.000
	2	-0.7907	0.3863	-2.047	234.000	0.042
	3	1.3637	0.4164	3.275	234.000	0.001
Does not assume equal variances	1	-2.1544	0.3811	-5.653	147.125	0.000
	2	-0.7907	0.4178	-1.893	169.693	0.060
	3	1.3637	0.3713	3.673	148.227	0.000

## Study 2 Descriptives

Condition		Dependent Measure				
		Pre-Taste Evaluation	Post-Taste Evaluation	Purchase Intentions	Product Satisfaction	Satisfaction With Study
No Reward	Mean	0.92	1.0343	3.06	5.17	6.29
	N	70	70	70	70	70
	Std. Deviation	1.79	2.6366	2.15	2.54	2.41
Immediate From Manufacturer	Mean	1.1567	1.7831	3.87	6.02	6.97
	N	60	59	60	60	59
	Std. Deviation	1.6038	2.4809	2.78	2.57	2.39
Delayed From Manufacturer	Mean	1.4571	-0.4816	2.78	3.88	6.22
	N	49	49	49	49	49
	Std. Deviation	1.5679	2.6602	2.42	2.42	2.24
Immediate From Mkt. Research Firm	Mean	1.1758	0.3212	2.91	4.85	6.58
	N	33	33	33	33	33
	Std. Deviation	1.4489	2.8164	2.07	2.17	2.17
Delayed From Mkt. Research Firm	Mean	1.9556	1.6278	3.42	5.58	6.72
	N	36	36	36	36	36
	Std. Deviation	1.3816	2.5281	2.47	2.66	2.29
Total	Mean	1.2677	0.9036	3.23	5.14	6.54
	N	248	247	248	248	247
	Std. Deviation	1.6261	2.7236	2.42	2.58	2.32

## Study 2 Source of Reward Recall Accuracy

Condition		Frequency	Percent	Valid Percent	Cumulative Percent
Immediate From Manufacturer	Incorrect Recall	7	11.7	11.7	11.7
	Correct Recall	53	88.3	88.3	100
	Total	60	100	100	
Delayed From Manufacturer	Incorrect Recall	16	32.7	32.7	32.7
	Correct Recall	33	67.3	67.3	100
	Total	49	100	100	
Immediate From Mkt. Research Firm	Incorrect Recall	4	12.1	12.1	12.1
	Correct Recall	29	87.9	87.9	100
	Total	33	100	100	
Delayed From Mkt. Research Firm	Incorrect Recall	20	55.6	55.6	55.6
	Correct Recall	16	44.4	44.4	100
	Total	36	100	100	

## Study 2 ANOVA Results and Planned Contrasts

**Dependent Variable: Pre-Taste Evaluations**

	Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	16.48	3	5.493	2.367	0.073
Intercept	346.868	1	346.868	149.5	0
TIMING	12.264	1	12.264	5.285	0.023
SOURCE	2.814	1	2.814	1.213	0.272
TIMING x SOURCE	2.414	1	2.414	1.041	0.309
Error	403.757	174	2.32		
Total	771.36	178			
Corrected Total	420.236	177			

R Squared = .039 (Adjusted R Squared = .023)

**Dependent Variable: Post-Taste Evaluations**

	Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	169.258	3	56.419	8.313	0
Intercept	110.702	1	110.702	16.31	0
TIMING	9.619	1	9.619	1.417	0.235
SOURCE	4.394	1	4.394	0.647	0.422
TIMING x SOURCE	133.634	1	133.634	19.69	0
Error	1174.184	173	6.787		
Total	1471.92	177			
Corrected Total	1343.442	176			

R Squared = .126 (Adjusted R Squared = .111)

**Dependent Variable: Purchase Intentions**

	Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	38.278	3	12.759	2.046	0.109
Intercept	1767.287	1	1767.287	283.4	0
TIMING	3.579	1	3.579	0.574	0.45
SOURCE	1.052	1	1.052	0.169	0.682
TIMING x SOURCE	26.861	1	26.861	4.308	0.039
Error	1084.941	174	6.235		
Total	3059	178			
Corrected Total	1123.219	177			

R Squared = .034 (Adjusted R Squared = .017)

**Dependent Variable: Product Satisfaction**

	Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	134.04	3	44.68	7.284	0
Intercept	4341.81	1	4341.81	707.9	0
TIMING	20.724	1	20.724	3.379	0.068
SOURCE	3.037	1	3.037	0.495	0.483
TIMING x SOURCE	86.802	1	86.802	14.15	0
Error	1067.241	174	6.134		
Total	5874	178			
Corrected Total	1201.281	177			

R Squared = .112 (Adjusted R Squared = .096)

**Dependent Variable: Satisfaction with the Study**

	Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	15.113	3	5.038	0.964	0.411
Intercept	7351.825	1	7351.825	1407	0
TIMING	3.711	1	3.711	0.71	0.4
SOURCE	0.121	1	0.121	0.023	0.879
TIMING x SOURCE	8.264	1	8.264	1.582	0.21
Error	903.746	173	5.224		
Total	8719	177			
Corrected Total	918.859	176			

R Squared = .016 (Adjusted R Squared = -.001)

**Planned Contrasts:**

Contrast 1: No reward (control) condition versus immediate reward from manufacturer condition

– Test of hypothesis H1a

Contrast 2: No reward (control) condition versus delayed reward from manufacturer condition

– Test of hypothesis H2a

Contrast 3: No reward (control) condition versus immediate reward from market research firm condition

– Test of hypothesis H1b

Contrast 4: No reward (control) condition versus delayed reward from market research firm condition

– Test of hypothesis H2b

**Unplanned Contrasts:**

Contrast 5: Immediate reward from manufacturer versus delayed reward from manufacturer

Contrast 6: Immediate reward from manufacturer versus immediate reward from market research firm

Contrast 7: Immediate reward from manufacturer versus delayed reward from market research firm

Contrast 8: Immediate reward from marketing research firm versus delayed reward from marketing research firm

Contrast 9: Delayed reward from manufacturer versus delayed reward from marketing research firm

Contrast 10: Immediate reward from marketing research firm versus delayed reward from marketing research firm

**Dependent Variable: Pre-Taste Evaluations**

	Contrast	Value of Contrast	Std. Error	t	df	Sig. (2-tailed)
Assume equal variances	1	-0.2367	0.2821	-0.839	243	0.402
	2	-0.5371	0.2987	-1.798	243	0.073
	3	-0.2558	0.3386	-0.755	243	0.451
	4	-1.0356	0.3289	-3.149	243	0.002
	5	-0.3005	0.3088	-0.973	243	0.331
	6	-1.91E-02	0.3475	-0.055	243	0.956
	7	-0.7989	0.3381	-2.363	243	0.019
	8	0.2814	0.3611	0.779	243	0.437
	9	-0.4984	0.352	-1.416	243	0.158
	10	-0.7798	0.3865	-2.018	243	0.045
Does not assume equal variances	1	-0.2367	0.2977	-0.795	127.735	0.428
	2	-0.5371	0.3097	-1.734	111.167	0.086
	3	-0.2558	0.3307	-0.773	76.294	0.442
	4	-1.0356	0.3143	-3.295	88.177	0.001
	5	-0.3005	0.305	-0.985	103.562	0.327
	6	-1.91E-02	0.3263	-0.059	71.942	0.954
	7	-0.7989	0.3097	-2.58	82.489	0.012
	8	0.2814	0.3373	0.834	72.368	0.407
	9	-0.4984	0.3212	-1.552	80.208	0.125
	10	-0.7798	0.3415	-2.283	65.788	0.026

**Dependent Variable: Post-Taste Evaluations**

	Contrast	Value of Contrast	Std. Error	t	df	Sig. (2-tailed)
Assume equal variances	1	-0.7488	0.462	-1.621	242	0.106
	2	1.5159	0.4869	3.113	242	0.002
	3	0.7131	0.552	1.292	242	0.198
	4	-0.5935	0.5362	-1.107	242	0.269
	5	2.2647	0.5053	4.482	242	0
	6	1.4618	0.5683	2.572	242	0.011
	7	0.1553	0.5529	0.281	242	0.779
	8	-0.8028	0.5887	-1.364	242	0.174
	9	-2.1094	0.5739	-3.676	242	0
	10	-1.3066	0.63	-2.074	242	0.039
Does not assume equal variances	1	-0.7488	0.4513	-1.659	125.437	0.1
	2	1.5159	0.4937	3.071	102.873	0.003
	3	0.7131	0.5828	1.223	59.217	0.226
	4	-0.5935	0.5262	-1.128	73.451	0.263
	5	2.2647	0.4987	4.541	99.447	0
	6	1.4618	0.5871	2.49	59.608	0.016
	7	0.1553	0.5309	0.292	73.006	0.771
	8	-0.8028	0.6203	-1.294	66.097	0.2
	9	-2.1094	0.5674	-3.718	77.641	0
	10	-1.3066	0.6465	-2.021	64.537	0.047

**Dependent Variable: Purchase Intentions**

	Contrast	Value of Contrast	Std. Error	t	df	Sig. (2-tailed)
Assume equal variances	1	-0.81	0.42	-1.915	243	0.057
	2	0.28	0.45	0.629	243	0.53
	3	0.15	0.51	0.292	243	0.771
	4	-0.36	0.49	-0.73	243	0.466
	5	1.09	0.46	2.359	243	0.019
	6	0.96	0.52	1.839	243	0.067
	7	0.45	0.51	0.888	243	0.375
	8	-0.13	0.54	-0.247	243	0.805
	9	-0.64	0.53	-1.216	243	0.225
	10	-0.51	0.58	-0.877	243	0.382
Does not assume equal variances	1	-0.81	0.44	-1.836	110.181	0.069
	2	0.28	0.43	0.655	95.372	0.514
	3	0.15	0.44	0.335	64.999	0.739
	4	-0.36	0.48	-0.742	62.756	0.461
	5	1.09	0.5	2.192	106.538	0.031
	6	0.96	0.51	1.885	82.804	0.063
	7	0.45	0.55	0.825	80.79	0.412
	8	-0.13	0.5	-0.268	75.435	0.79
	9	-0.64	0.54	-1.194	74.724	0.236
	10	-0.51	0.55	-0.929	66.493	0.356

**Dependent Variable: Product Satisfaction**

	Contrast	Value of Contrast	Std. Error	t	df	Sig. (2-tailed)
Assume equal variances	1	-0.85	0.44	-1.927	243	0.055
	2	1.29	0.46	2.786	243	0.006
	3	0.32	0.53	0.613	243	0.54
	4	-0.41	0.51	-0.805	243	0.421
	5	2.14	0.48	4.455	243	0
	6	1.17	0.54	2.161	243	0.032
	7	0.43	0.53	0.824	243	0.411
	8	-0.97	0.56	-1.729	243	0.085
	9	-1.71	0.55	-3.116	243	0.002
	10	-0.73	0.6	-1.223	243	0.223
Does not assume equal variances	1	-0.85	0.45	-1.882	124.499	0.062
	2	1.29	0.46	2.813	106.411	0.006
	3	0.32	0.48	0.667	72.641	0.507
	4	-0.41	0.54	-0.768	67.969	0.445
	5	2.14	0.48	4.466	104.771	0
	6	1.17	0.5	2.326	75.946	0.023
	7	0.43	0.55	0.784	71.873	0.436
	8	-0.97	0.51	-1.897	73.693	0.062
	9	-1.71	0.56	-3.037	71.387	0.003
	10	-0.73	0.58	-1.264	66.144	0.211

**Dependent Variable: Satisfaction with the Study**

	Contrast	Value of Contrast	Std. Error	t	df	Sig. (2-tailed)
Assume equal variances	1	-0.68	0.41	-1.658	242	0.099
	2	6.12E-02	0.43	0.142	242	0.888
	3	-0.29	0.49	-0.592	242	0.555
	4	-0.44	0.48	-0.917	242	0.36
	5	0.74	0.45	1.653	242	0.1
	6	0.39	0.5	0.774	242	0.44
	7	0.24	0.49	0.497	242	0.62
	8	-0.35	0.52	-0.672	242	0.502
	9	-0.5	0.51	-0.977	242	0.33
	10	-0.15	0.56	-0.262	242	0.794
Does not assume equal variances	1	-0.68	0.42	-1.607	123.723	0.111
	2	6.12E-02	0.43	0.142	107.986	0.887
	3	-0.29	0.47	-0.611	69.281	0.543
	4	-0.44	0.48	-0.914	74.061	0.364
	5	0.74	0.45	1.664	104.386	0.099
	6	0.39	0.49	0.799	71.894	0.427
	7	0.24	0.49	0.496	76.504	0.621
	8	-0.35	0.49	-0.711	70.344	0.48
	9	-0.5	0.5	-1	74.627	0.32
	10	-0.15	0.54	-0.273	66.926	0.786

# VITA

## Brian Tietje

### Office Address

Department of Marketing and International Business  
 University of Washington, School of Business  
 Box 353200  
 Seattle, WA 98195-3200  
 Tel. (206)543-9736  
 Fax. (206)685-9392  
 e-mail: tietje@u.washington.edu

### Home Address

4005 15<sup>th</sup> Ave. NE #704  
 Seattle, WA 98105  
 (206)934-4837

### EDUCATION

1994 - 1999 Ph.D. in Marketing, University of Washington  
 1992 - 1994 MBA, University of Hawaii  
 1984 - 1988 BSBA, Bowling Green State University (Ohio)

### DISSERTATION

Title: *Promotional Enhancement Theory: A Model for Designing Promotions That Enhance Brand Evaluations*

Committee: Richard Yalch (Chair), Anthony Greenwald, Therese Louie, and Julie Ruth

Description: It is commonly argued that although sales promotions effectively influence initial brand choice, they may ultimately undermine brand evaluations and repurchase intentions. Prior experimental results demonstrate that under certain conditions, persons who receive a reward for selecting a product exhibit less favorable product evaluations than persons who are offered no reward. These findings conflict with the common wisdom of marketers who use promotions extensively. Either marketers are unconcerned with long-run effects or sales promotions may not have the detrimental effects on brand evaluations predicted by past research.

The current research program focuses on positive promotional effects whereby product evaluations are enhanced by rewards. I apply availability valence theory (Tybout, Sternthal and Calder, 1983b; Hannah and Sternthal, 1984) to a reward context and delineate the psychological processes that lead to enhancement effects. I also synthesize empirical evidence from prior research that is consistent with the availability valence explanation. I then construct a theoretical framework termed Promotional Enhancement Theory that links the theoretical concepts from availability valence theory with promotional execution tactics to explain and predict how promotional factors can enhance consumer product evaluations.

Initial testing of Promotional Enhancement Theory focuses on how the timing and source of promotions impact product evaluations. A reward timing effect was obtained in Study 1 whereby persons who received an immediate, pre-evaluation reward for choosing a new product reported higher product evaluations than persons who received either no reward or a promised-but-delayed reward that was distributed after product evaluations. Furthermore, the delayed reward undermined evaluations relative to the no-reward condition, presumably due to the enhanced task-contingency of the delayed reward. Study 2 demonstrated that immediate rewards do not enhance product evaluations when the source of the reward is unrelated to the product, suggesting that promotions elicit a favorable evaluation of a product only when the information is considered product relevant. These results suggest that promotions can enhance product evaluations when they elicit consumer perceptions of marketer goodwill and minimize the salience of a promotion's task-contingency by maximizing consumer behavioral freedom.

## PUBLICATIONS

- Narver, John, Stanley Slater, and Brian Tietje (1998), "Creating a Market Orientation," *Journal of Market-Focused Management*, 2(3) 241-255.
- Huff, Lenard, Dana Alden, and Brian Tietje (1998), "Managing the Sales Promotion Mix: Brand Managers' Response to Sales Promotions," *Journal of Promotion Management*, 5(1) forthcoming.
- Alden, Dana, and Brian Tietje (1998), "Social Marketing and Consumer Sales Promotion: A Test of Emerging Theory on Promotion Effectiveness for 'Maintenance Stage' Consumers," *Social Marketing Quarterly*, 4(4) forthcoming.

## CONFERENCE PRESENTATIONS

- "A Test of Emerging Theory on Promotion Effectiveness for 'Maintenance Stage' Consumers," with Dana Alden. Received the Novelli Award for the Best Theory Paper at the Innovations in Social Marketing conference, June 1998, Washington, D.C.
- "Defining the Conditions When Purchase Incentives Enhance Product Responses," presented at the University of British Columbia Research Colloquium, May 1998, Vancouver, BC.
- "Cognitive and Hedonic Response to Probabilistic Promotions," presented at the Association for Consumer Research (ACR) special session *Hedonic and Symbolic Responses to Monetary and Non-Monetary Promotions*, October 1997, Denver, Colorado.
- "Consumer Evaluations of Sweepstakes Incentives: An Empirical Investigation", Academy of Marketing Science poster session, May 1997, Coral Gables, Florida.

## HONORS AND AWARDS

- |                   |   |
|-------------------|---|
| Consortium Fellow | <ul style="list-style-type: none"> <li>• University of Washington representative to the 1997 American Marketing Association Doctoral Consortium, University of Cincinnati</li> <li>• University of Washington representative to the 1997 Center for International Business Education and Research (CIBER) Doctoral Consortium, University of Texas, Austin</li> </ul> |
| Funding Awards    | <ul style="list-style-type: none"> <li>• Fellowship recipient, University of Washington, 1997-98</li> <li>• Western Foods Association Marketing Research Grant, 1992</li> <li>• Alumni Undergraduate Research Award, 1986</li> <li>• One of twenty worldwide recipients of the Campbell Soup Company Scholarship, 1984</li> </ul>                                     |

- |                     |   |
|---------------------|---|
| Teaching Awards     | <ul style="list-style-type: none"> <li>• University of Washington School of Business Ph.D. Program Teaching Award, 1998</li> </ul>  |
| Professional Awards | <ul style="list-style-type: none"> <li>• Johnson &amp; Johnson Retail Operations Manager of the Year, 1990</li> </ul>   |
| Academic Awards     | <ul style="list-style-type: none"> <li>• Lever Brothers Scholarship and Internship Award, 1987</li> <li>• MBA Student of the Year, University of Hawaii, 1994</li> <li>• AMA George Hay Brown Marketing Scholar, 1994</li> <li>• Academic All-American at Bowling Green State University, 1988</li> <li>• Bowling Green State University's President's Achievement Award, 1985</li> </ul> |

### ACADEMIC EMPLOYMENT

#### **Instructor**

1994 - Present    University of Washington, School of Business. Teach *Principles of Selling* and *Marketing Principles* in the undergraduate daytime and evening programs.

#### **Research Assistant**

1994 - 1996      University of Washington, School of Business. Worked with Julie Ruth, Charles Ingene, and John Narver.

### INDUSTRY EXPERIENCE

1992 - 1994	Pacific Business Center Program, University of Hawaii, Business Plan Specialist
1990 - 1991	Johnson & Johnson Consumer Products, Inc., Sales Technology Manager
1990	Johnson & Johnson Consumer Products, Inc., Retail Operations Manager
1988 - 1990	Johnson & Johnson Baby Products Company, Key Account Manager
1987	Lever Brothers, Inc., Household Products Division, Sales Intern
1986 - 1988	Northwestern Mutual Life Insurance Company, College Sales Agent
1985	Culligan Water Conditioning, Commission Sales Representative

**RESEARCH INTERESTS**

- Monetary and nonmonetary consumer promotions
- Attribution and self perception theory
- Motivational and behavioral learning theories
- Trade promotions
- Consumer marketing and brand management

**TEACHING INTERESTS**

- Marketing management and strategy
- Consumer behavior
- Personal selling and sales management
- Marketing research
- Retailing
- Promotion management
- Consumer marketing and brand management

**PROFESSIONAL ASSOCIATIONS**

- American Marketing Association
- Association for Consumer Research
- Academy of Marketing Science
- Society for Consumer Psychology

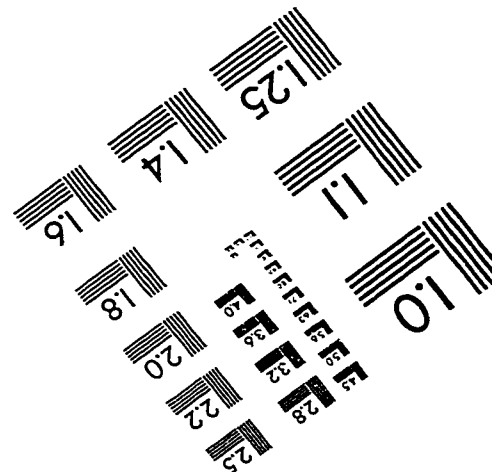
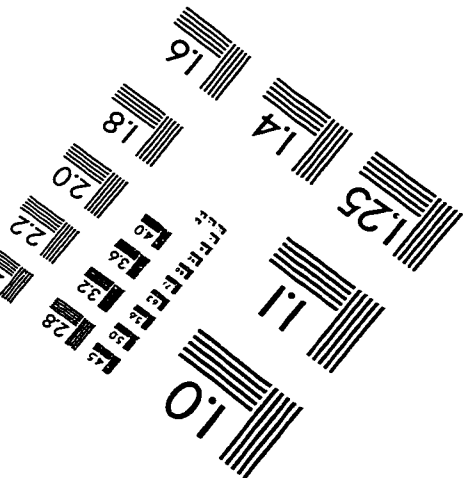
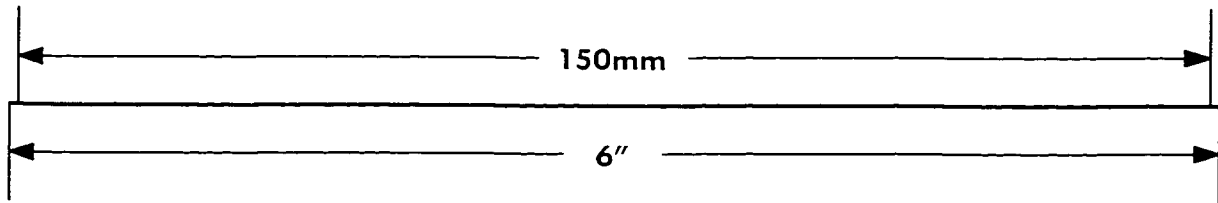
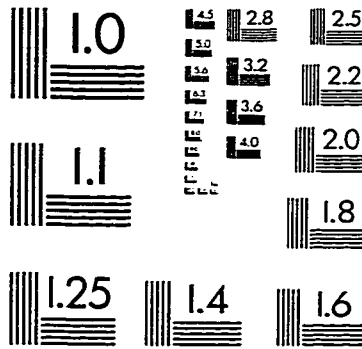
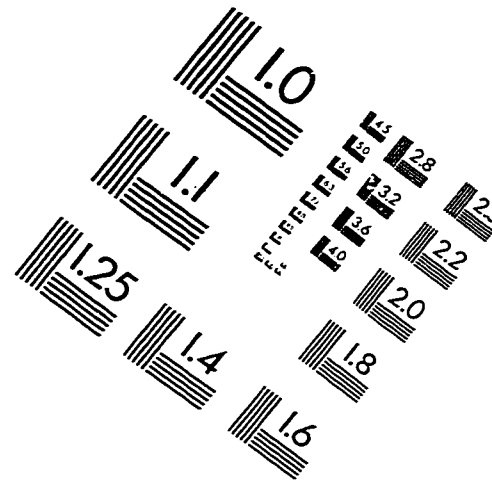
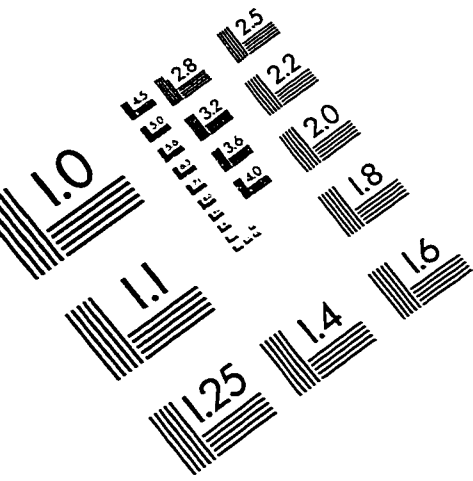
**SELECTED DOCTORAL COURSES**

<b>Marketing</b>	<b>INSTRUCTOR</b>
Consumer Behavior Social Influences of Consumer Behavior Marketing Strategy Information Processing Theories of Consumer Behavior Marketing Systems	Julie Ruth Therese Louie Robert Jacobson Richard Yalch David Gautschi and Roger Betancourt
<b>Research Methods</b> Mathematical Statistics Applied Econometrics Behavioral Research Applications Behavioral Research Theory Multivariate Analysis Experimental Design and Analysis Linear Models Sampling Applications Modeling Data: Multivariate Analysis Structural Equation Modeling	Peter Guttorp Peter Frost Tom Lee Terence Mitchell Douglas MacLachlan Alan Klockars Richard Gonzalez June Morita Richard Gonzalez Robert Abbott
<b>Behavioral Sciences</b> Cognitive Psychology Cognitive Memory Judgment and Decision Making Latent Variables Advanced Attitude Theory	Elizabeth Loftus Elizabeth Loftus Richard Gonzalez Richard Gonzalez and Anthony Greenwald Anthony Greenwald

**REFERENCES**

<p>Richard Yalch University of Washington Business School Box 353200 Seattle, WA 98195-3200 Tel. (206)543-1944 e-mail: ryalch@u.washington.edu</p>	<p>Julie Ruth University of Washington Business School Tel. (206)543-4589 e-mail: jruth@u.washington.edu</p>
<p>Therese Louie University of Washington Business School Tel. (206)543-0067 e-mail: tlouie@u.washington.edu</p>	<p>Anthony Greenwald University of Washington Department of Psychology Tel. (206) 543-8429 e-mail: agg@u.washington.edu</p>

# IMAGE EVALUATION TEST TARGET (QA-3)



APPLIED IMAGE . Inc  
1653 East Main Street  
Rochester, NY 14609 USA  
Phone: 716/482-0300  
Fax: 716/288-5989

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