



## Effects of the perceived diagnosticity of presented attribute and brand name information on sensitivity to missing information



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### ABSTRACT

Four experiments demonstrated that as the perceived diagnosticity of the presented information increases, sensitivity to missing diagnostic information decreases. However, experts were sensitive to missing information regardless of the diagnosticity of the presented attribute information. When a well-known brand name was paired with the attribute information, novices were insensitive to missing information regardless of the diagnosticity of the presented attribute information. Implications of the results for understanding information utilization and omission neglect are discussed.

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### 1. Introduction

On a daily basis, consumers form judgments or make purchase decisions based on information that may come from different sources, such as advertising, promotional material, word-of-mouth, media, or salespeople. The amount and the validity of the information provided can vary dramatically across sources, and the accuracy of consumers' judgments is likely to be compromised when the amount or the validity of the information provided is insufficient to allow for informed judgment. Uninformed judgment can lead to poor decisions that consumers may come to regret.

Research on omission neglect – or insensitivity to missing or unknown attributes, options, issues, or possibilities – shows that detecting omissions is surprisingly difficult. The failure to detect the absence of relevant or diagnostic information leads consumers to form inappropriately extreme and confidently-held judgments based on weak or insufficient evidence (Sanbonmatsu, Kardes, & Herr, 1992; Sanbonmatsu, Kardes, Houghton, Ho, & Posavac, 2003; Sanbonmatsu, Kardes, Posavac, & Houghton, 1997; Sanbonmatsu, Kardes, & Sansone, 1991). That is, highly favorable (unfavorable) judgments are formed, even when the available evidence is only moderately favorable (unfavorable). Although more extreme judgments should be formed as the amount of diagnostic information presented increases (the set-size effect; Anderson, 1981), the failure to notice that diagnostic information is missing encourages

consumers to form extreme judgments regardless of how little is actually known.

One way to highlight missing information is to ask consumers to evaluate a missing attribute immediately after a product description is presented (Sanbonmatsu et al., 1991). After reading a brief description of a new bicycle, consumers were asked to evaluate the durability of the bicycle even though no information about durability was presented. Half of the subjects were asked to draw inferences about durability immediately after reading the product description, and half were asked to do so one week later. Subjects were more likely to recognize that no information was provided about durability in the no delay condition than in the delay condition. Consequently, subjects formed more moderate inferences in the no delay condition than in the delay condition. Ironically, memory for attribute information was poorer and inferences were more extreme in delay than in no delay conditions. Hence, inferences became increasingly extreme as knowledge decreased (the remembering less and inferring more effect).

Prior research has also shown that when consumers are insensitive to missing information, they are also insensitive to the amount of information that is presented (Sanbonmatsu et al., 1992). Even a little information seems like a lot when people are insensitive to missing information. Although consumers are typically insensitive to missing information, sensitivity can be increased by very high levels of product knowledge (Sanbonmatsu et al., 1991; Sanbonmatsu et al., 1992), the presence of cues that imply that relevant information is missing (Kardes et al., 2006; Sanbonmatsu et al., 1992), and by encouraging comparative information processing of non-alignable differences (Kardes & Sanbonmatsu, 1993; Sanbonmatsu et al., 1997, 2003). The present research investigates two new antecedents of sensitivity

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to omissions: the perceived diagnosticity of the presented attribute information and the perceived diagnosticity of brand name information.

In an important study of the effects of the perceived diagnosticity of the presented attribute information on judgmental confidence and information search, Van Wallendael and Guignard (1992) manipulated the cost of obtaining additional information (low, medium, or high), the diagnosticity of the presented information (low or high), and the diagnosticity of the missing information (low or high). When the diagnosticity of the presented information was low, judgmental confidence was low and the desire to seek additional information was high, regardless of the cost of the additional information. These results were replicated in a follow-up study using money rather than points to manipulate the cost of the additional information, and using a within-subjects manipulation of information cost. The results suggest that when the diagnosticity of the presented information is low, judgmental confidence is low, and people prefer to search for additional information to increase judgmental confidence.

We suggest that an additional process could have contributed to Van Wallendael and Guignard's (1992) results. When the diagnosticity of the presented attribute information is low, consumers should form judgments held with a low degree of confidence (Maheswaran, Mackie, & Chaiken, 1992). When judgmental confidence is below the desired threshold, consumers might infer that relevant information is missing, and this inference might motivate the search for additional information. To test this possibility, we manipulated the diagnosticity of the presented attribute information and examined the influence of this variable on sensitivity to omissions.

We also examined the moderating roles of brand name information and prior knowledge. Because well-known brand names are more diagnostic than lesser-known brand names (Maheswaran et al., 1992), judgmental confidence should be higher and sensitivity to omissions should be lower when well-known (vs. lesser-known) brand names are presented. This pattern should be observed regardless of the amount or the diagnosticity of the attribute information that is presented. This pattern should also be qualified by prior knowledge levels. Highly knowledgeable consumers should be less likely to use brand names as heuristic cues, and should be more sensitive to omissions due to their greater ability to process information systematically and analytically (Alba & Hutchinson, 1987; Sanbonmatsu et al., 1991, 1992).

## 2. Experiment 1

The purpose of Experiment 1 was to test the hypothesis that consumers' sensitivity to missing information increases when they are provided with information of low (vs. high) diagnosticity.

### 2.1. Participants and design

Participants were one hundred-eighty business administration undergraduate students of a Brazilian university (58% female,  $M = 23$  years) who voluntarily participated in the experiment. The design was a between-subject, 2 (number of attributes: 3 vs. 6)  $\times$  2 (information diagnosticity: diagnostic vs. non-diagnostic information) factorial design.

### 2.2. Stimuli

Diagnostic and non-diagnostic information consisted of attributes chosen based on a pretest ( $n = 20$ ) in which undergraduate students from the same subject pool of the experiment were asked to indicate how important each of twelve attributes would be for their decision to purchase a digital camera (1 = not important at all; 9 = extremely important). Based on this pretest, we selected six diagnostic attributes (dimensions, memory, weight, display size, battery autonomy, and image resolution) and six non-diagnostic attributes (color, face detection function, tripod, shutter speed, visual effects, and flash reach).

### 2.3. Procedures

Participants were approached during the interval between classes and asked to complete a self-administered, paper-and-pencil questionnaire. The interviewer, an undergraduate student unaware of the research objective, handed the questionnaire to subjects and remained available to answer questions.

Participants were told that they were invited to evaluate a new digital camera. They were also informed that the brand's name had been replaced by "X" and that the actual brand was well known and had a good reputation. Next, half of the participants read an advertisement describing six attributes of the digital camera (see Fig. 1 for an example), and the remaining participants read information about the camera described with three attributes. The six attributes in the six-attribute condition were counterbalanced across two subsets of attributes in the three-attribute condition. Next, participants were asked to provide on a nine-point scale an overall evaluation of the digital camera (1 = very bad; 9 = excellent).

### 2.4. Results

A preliminary analysis indicated that camera evaluations did not differ as a function of the counterbalanced cells. Thus, the counterbalanced cells were collapsed in subsequent analyses.

A 2 (number of attributes: three vs. six attributes)  $\times$  2 (information diagnosticity: diagnostic vs. non-diagnostic information) analysis of variance (ANOVA) performed on overall evaluation revealed a significant effect of number of attributes ( $F[1,176] = 10.7, p < .001$ ) and information diagnosticity ( $F[1,176] = 71.7, p < .001$ ). More important, these two main effects were qualified by an interaction between number of attributes and information diagnosticity ( $F[1,176] = 15.3, p < .001$ ).

Simple analysis showed that digital cameras described with six attributes were better evaluated than those described with three attributes ( $M_6 = 7.0, SD = 1.7$  vs.  $M_3 = 6.2, SD = 2.3$ ;  $t[178] = 2.7, p < .01$ ) and digital cameras described with diagnostic attributes received higher evaluations than those described with non-diagnostic attributes ( $M_D = 7.6, SD = 1.4$  vs.  $M_N = 5.5, SD = 2.0, t[178] = 7.9, p < .001$ ). More important, when presented attributes were non-diagnostic, the digital camera described with six attributes received higher evaluations than that described with three attributes ( $M_6 = 6.4, SD = 1.6$  vs.  $M_3 = 4.7, SD = 2.1$ ;  $t[88] = 4.5, p < .001$ ; see Fig. 2). By contrast, when presented attributes were diagnostic, the digital camera described with six attributes received similar evaluation as that described with three attributes ( $M_3 = 7.7, SD = 1.2$  vs.  $M_6 = 7.5, SD = 1.6$ ;  $t[88] = .5, n.s.$ ). This pattern of results suggests that people are more (vs. less) sensitive to missing information when provided with information of low (vs. high) diagnosticity.

#### Digital Camera "X"

Dimensions: 3.4' X 2.1' X 0.7' (w x h x d)

Memory: 12 Mb

Weight: 4.4 oz

Display: LCD 3.5"

Battery: Li-Ion, 8 hours of autonomy

Image Resolution: 12 Mp

Fig. 1. Advertisement of a digital camera with six diagnostic attributes.

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