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Product Touch and Consumers' Online and Offline Buying: The Role of Mental Representation

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Abstract

As offline retailers struggle to compete with online ones, the importance of a consumer's ability to touch a product prior to purchase becomes important to study. Prior research has found inconsistent results on whether product touch facilitates consumers' product-related decision making. Some studies report a positive effect, whereas others do not. The current research reconciles this inconsistency and draws retailing implications. Across three experiments, we show that the effect of product touch on consumers' purchase intentions and willingness to pay for a product being evaluated is evident when consumers' mental representation of the product is concrete, but not when abstract. We further show that perceived risk and perceived ownership simultaneously mediate this moderating effect of mental representation. Implications are drawn for both offline and online retailers.

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Keywords: Product touch; Mental representation; Purchase decisions; Online and offline retailing

Introduction

U.S. online retail sales nearly quadrupled in the decade from 2005 to 2015, according to the U.S. Department of Commerce, and the e-commerce share of US retail sales has climbed rapidly from 6.3% in 2011 to over 11% in 2016. Naturally, offline retailers are suffering, and need to figure out better ways to survive this online sales juggernaut: what can they do, in terms of the customers they should target, the product categories they should emphasize, and the merchandising and marketing strategies they should use, to fight back? In this context, it is logical to be asking what the strategic implications might be of a consumer's inability to touch a product physically, as is the case with online shopping. Prior research has shown that consumers who show a greater reliance on product touch do prefer to make purchase-related decisions via traditional offline stores, in which pre-purchase touch is feasible, versus shop via Internet or cata-

logs, where it is not (e.g., Citrin et al. 2003; McCabe and Nowlis 2003; Peck and Childers 2003a, 2003b). Further investigation thus is called for on the determinants and consequences of a consumer's need to touch products.

In this research stream, some prior research has found that product touch, compared with no touch conditions, can increase consumers' confidence in quality judgments and product evaluations (Grohmann, Spangenberg, and Sprott 2007; Peck and Childers 2003a); enhance their valuations of and thus willingness to pay (WTP) for the product (Peck and Shu 2009; Peck, Barger, and Webb 2013); and ultimately increase their impulsive purchases of the product (Peck and Childers 2006). However, other recent evidence shows that under certain conditions the presence or absence of product touch does not influence consumers' product evaluations (Marlow and Jansson-Boyd 2011) and their purchase intentions (PI) toward the product (McCabe and Nowlis 2003). This raises an important issue of how to reconcile these seemingly conflicting findings, and then draw implications for online versus offline retailing.

The current research aims to reconcile this inconsistency from a consumer cognition perspective, and to then draw implications for offline retailers to fight back. We propose in this paper that consumers under a concrete mindset will show

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¹ All statistics from: www.internetretailer.com and www.statista.com, accessed on March 1, 2017.

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more responsiveness to offline (versus online) retailing, while consumers under an abstract mindset will show similar responsiveness to online and offline retailing. We propose this because prior research shows that touching a product helps individuals directly acquire product information about tactile attributes such as softness, heaviness, and smoothness (Peck and Childers 2003a, 2003b). This type of concrete, "low-level" information is valued unequally by different types of consumers. According to construal level theory (CLT), people's "construal level," or nature of mental representations of an object, determines which aspects of the object they emphasize when evaluating it: a concrete (versus abstract) mental representation leads to an emphasis on the object's low-level, detailed cues (versus high-level, abstract descriptions) (Liberman, Trope, and Wakslak 2007; Trope, Liberman, and Waklsak 2007, p. 89).

Online purchasing creates a situation where consumers cannot physically and intimately examine the product. We therefore argue that people who mentally represent a product in a concrete manner – and thus need information on its low-level tactile attributes to confidently judge its quality - will, in online purchasing, experience greater purchase risk concerns (as they are more uncertain about product quality) and lower ownership perceptions of it (since they cannot intimately examine and "know" the product well). Consequently, these concrete thinkers will indicate lower PI and WTP for the product sold online (versus offline). In contrast, we argue that the PI and WTP for abstract mindset consumers should be unaffected by online and offline retailing, because their perceived risk and perceived ownership of a product are unaffected by the availability of product touch (since they do not need to use touch to judge a product's quality and to feel they know it).

To the best of our knowledge, this present research is the first to shed light on the importance of consumers' level of mental representation in affecting their decision making in online versus offline retailing environments, by introducing this variable to the retailing literature. This research also advances existing research on feelings of product ownership, and product valuation (e.g., Brough and Isaac 2012; Kahneman, Knetsch, and Thaler 1990; Peck and Shu 2009), by showing that whether people feel ownership and correspondingly increase their valuations of an object depends upon the nature of their mental representation of it.

Theoretical Background and Hypotheses

Product Touch

Product touch is defined as direct experience with a product (Peck and Childers 2003a). Through touching a product, people can obtain detailed overall impressions of it, via experiencing its material attributes such as texture, temperature, weight, and hardness (Peck and Childers 2003a, 2003b). This notion implies that touching a product prior to purchase can facilitate consumers' decision making, because product touch offers consumers more comprehensive information about the product. Indeed, considerable research has shown that touching a product can increase consumers' purchase likelihood of (Citrin et al. 2003), impulsive buying of (Peck and Childers 2006), and WTP

for the product (e.g., Peck and Shu 2009; Peck, Barger, and Webb 2013). Moreover, product touch can increase consumers' charitable-giving behavior such that after touching a booklet of a charitable organization that offers rich tactile information (i.e., feathers), consumers are more persuaded by its claims and are more likely to donate money and time to the organization (e.g., Peck and Wiggins 2006).

However, recent research also shows that whether offering consumers the opportunity to touch a product leads to positive product evaluations and purchase decisions or not also depends on the nature of its product category features. Specifically, McCabe and Nowlis (2003) find that consumers do not increase their PI of a product with primarily geometric properties – for which vision is highly diagnostic – such as packaged goods and books, even when they can touch it prior to purchase. In the same vein, Marlow and Jansson-Boyd (2011) report that touching a product rich in geometric attributes does not affect consumers' product perceptions. Similar findings are also reported by Grohmann, Spangenberg, and Sprott (2007) who show that product touch increases consumers' product evaluation and purchase likelihood when the touched product is one where tactile impressions are more diagnostic.

In addition to this research stream examining the role of product category differences, another research stream investigates the moderating effect of consumers' individual difference in need for touch (NFT) on actual touching and on product evaluations and valuations. For instance, Peck and Childers (2003a, 2003b) show that the presence of touch only increases confidence in product evaluation and quality judgment among consumers with high (versus low) NFT tendencies. In the same vein, Citrin et al. (2003) find that consumers with low (versus high) need for tactile input do not increase their purchase likelihood of a product even when they can touch it prior to purchase. With regard to WTP, Peck, Barger, and Webb (2013) report that consumers with higher levels of NFT increase their WTP for a product after touching (versus not touching) it.

The above research findings are informative in showing such product category and individual difference conditions under which physical touch matters in shaping purchase decisions. However, in daily shopping, we can see that there are cases that where the same consumer prefers to buy a product from traditional stores under some situations (e.g., when an individual has a lot of free time), but tends to buy the product from online channels under other situations (e.g., when the same individual has very limited free time). Thus, the product-category account and the chronic individual difference account cannot fully explain why these phenomena occur. In the current research, we attempt to more fully explain these contingencies by proposing that whether product touch influences consumers' decision making will depend upon consumers' levels of mental representation of products.

The Moderating Effect of Mental Representation on How Product Touch Influences Purchase Decisions

As mentioned above, touching a product can help individuals experience low-level, concrete product information such

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