Journal of Business Research 90 (2018) 67–74

Contents lists available at ScienceDirect

Journal of Business Research

journal homepage: www.elsevier.com/locate/jbusres

Beauty is truth: The effects of inflated product claims and website interactivity on evaluations of retailers' websites☆

Ana Dolores Franco Valdez[a,*], Alfonso Valdez Cervantes[a], Scott Motyka[b]

[a] Tecnologico de Monterrey, Campus Sinaloa, Blvd. Pedro Infante 3773, Culiacán, Sin, México, 80100
[b] Keck Graduate Institute, 535 Watson Dr., Claremont, CA 91711, United States

ARTICLE INFO

Keywords:
Website interactivity
Inflated ad claims
Elaboration likelihood model
Deceptive advertising
Website trust
Website evaluation

ABSTRACT

Retailers are in an arms race to attract customers to their websites and drive sales. This research examines how two techniques, inflated product claims and website interactivity, affect consumer evaluations of retailer websites. According to the Elaboration Likelihood Model (ELM), the authors argue that the use of strong, even inflated product claims leads to stronger website evaluations. The positive effects of inflated claims are bounded by website interactivity, which functions as a heuristic of the trustworthiness of a retailer's claims and website. Two studies demonstrate consistently that when website interactivity is high, the effects of inflated product claims are enhanced, whereas they are attenuated when website interactivity is low.

1. Introduction

The emergence of the Internet and the ability to reach millions of customers at low cost has prompted a web design arms race in which retailers seek to increase positive evaluations of their websites, the "stickiness" of the pages, and, ultimately, sales. Most retailers provide accurate, truthful claims about their products, but others actively attempt to mislead consumers with "puffery" or inflated product claims. While several qualitative studies describe how well-intentioned, truthful websites affect consumer trust judgments and subsequent website evaluations (e.g., Eysenbach & Köhler, 2002; Robins & Holmes, 2008; Robins, Holmes, & Stansbury, 2010), no prior research has tested how website interactivity affects consumer ability to detect and respond to *inflated* product claims online. Does increased interactivity allow consumers to process information better and more easily detect inflated claims, or does a well-designed, highly interactive website make a consumer too trusting, allowing them to be more easily swayed by inflated claims?

With the continued expansion of the Internet, website interactivity has emerged as a key moderator of retailer ability to succeed in new media channels (Grewal, Iyer, & Levy, 2004; Roggeveen & Grewal, 2016). In the earliest days of the Internet, fraudulent retailers had limited resources and their websites reflected this reality; poorly designed, non-interactive pages made it relatively easy for consumers to recognize websites that they should be leery of and avoid products with inflated claims. Today though, the landscaped has changed, and unscrupulous retailers create websites as appealing as those of authentic retailers. It remains an open question then if consumers are still able to detect inflated product claims when a website is highly interactive or if consumers view them as strong claims, increasing evaluations.

We argue that while strong product claims generally have positive effects on retailer evaluations, inflated claims can have differential effects on consumers depending on whether the claim is processed as a strong argument or a misleading claim. When an inflated claim is trusted, it is processed as a strong product claim which increases evaluations. Alternatively, when an inflated product claim is not trusted, it is identified as "puffery"/misleading information which decreases evaluations.

We define website interactivity as the ability of a visitor to navigate a website using hyperlinks and interactive elements (e.g., navigation structure, videos, HTML5 animations, image sliders, infographics, online forms, social media icons, website eye tracking) that facilitate the processing of the website's information (Yoo & Stout, 2001). When website interactivity is high, consumers trust the retailer and the content of the website and, as a result, engage in peripheral processing leading them to view the inflated claims as strong claims, which increases evaluations. When website interactivity is low, people use this as a heuristic cue that the website is not to be trusted, engage in central processing, detect the inflated claims and evaluations decrease (cf. Haugtvedt & Petty, 1992).

The reported studies examine responses to inflated claims

☆ Note: The first two authors designed the studies and completed data collection. The first three authors completed all data analyses.

* Corresponding author.
E-mail addresses: ana.franco@itesm.mx (A.D. Franco Valdez), avaldez@itesm.mx (A. Valdez Cervantes), scott_motyka@kgi.edu (S. Motyka).

https://doi.org/10.1016/j.jbusres.2018.04.027
Received 18 October 2016; Received in revised form 20 April 2018; Accepted 22 April 2018

concerning a topical cream used to treat stretch marks to test our predictions. Experiments were conducted with both a general sample of female college students (Study 1) and a sample of pregnant women (Study 2). In turn, we make three substantive contributions. First, this article *contextualizes* Elaboration Likelihood Model (ELM) and its related literature by revealing that, in general, using inflated product claims increases evaluations of a retailer's website. Second, we *replicate* existing ELM research by demonstrating that website interactivity functions as a heuristic cue that prompts trust in websites and peripheral processing when interactivity is high and distrust and central processing when website interactivity is low. Third, this research *extends* prior ELM findings to demonstrate that inflated claims will be processed peripherally as strong claims when interactivity is high and centrally as "puffery" when interactivity is low. The results of the reported research demonstrate that website interactivity is a boundary condition of the effects of inflated product claims on website evaluations.

2. Conceptual development

2.1. Effects of product claim strength

With the ability to reach potentially billions of customers, the Internet grants retailers access to an incredibly large market at a relatively low cost. Along with this tremendous opportunity, ferocious competition has risen among retailers who race to design the best looking, most interactive websites to attract customers. Some less scrupulous retailers even use product claims that are inflated and "puffery" in nature to appeal to consumers. Thus, with the increasing sophistication of retailer websites, the question remains as to how consumers approach processing these inflated product claims based upon the website design.

To understand these effects, we employ Petty and Cacioppo's (1986) Elaboration Likelihood Model which distinguishes between central and peripheral routes of persuasion prompted by level of motivation or cues in the environment. ELM suggests that strong (vs. weak) arguments generally produce stronger attitudes toward an object, such as a product or retailer (Aaker & Lee, 2001; Cacioppo & Petty, 1984; Chaiken, 1987). Similarly, research has long shown that, in the absence of other cues, consumers process "puffery" claims as strong claims, leading to stronger evaluations (cf. Olson & Dover, 1978; Rotfeld & Rotzoll, 1980; Wyckham, 1985). Thus, we formally propose:

H1. Inflated product claims generate more favorable evaluations of a retailer's website than authentic claims.

However, for this effect to occur, a consumer must perceive a strong argument as compelling in nature (Petty & Wegener, 2014). When motivation is low or people encounter a peripheral processing cue, they make value judgments by processing information in a less engaged, shallow manner. Alternatively, when motivation is high or individuals encounter a central processing cue, their judgments are based on a more vigilant and carefully scrutinized examination of claims (Chaiken, Liberman, & Eagly, 1989). Beyond this predicted general positive effect of inflated claims, it is unclear what boundary conditions will affect when consumers respond to inflated claims as strong claims and when they respond to them as "puffery." Therefore, we next discuss how website interactivity affects consumer trust and conclude with a discussion of how this heuristic cue affects processing of claims.

2.2. Website interactivity as a heuristic cue of website trust

A large body of research establishes that website interactivity functions as a heuristic to cue website trust. Fogg et al. (2003) explore how users evaluate a website's trustworthiness and conclude that, instead of focusing on rigorous criteria, users rely on heuristic criteria, including the website's appearance (e.g., aesthetics; 46.1%) and information design/structure (e.g., website interactivity; 28.5%). Furthermore, people are significantly less likely to base judgments of trust on criteria that is truly diagnostic, such as website affiliations (3.4%), information bias (11.6%), or information clarity (3.7%).

Additionally, judgments of website trust occur extremely quickly, often in about 2.4 s (Robins & Holmes, 2008), suggesting that interactivity serves as a heuristic to affect processing route. We argue when a website is highly interactive, consumers immediately trust the website and take for granted that the product claims contained therein are also truthful; this leads to peripheral processing and subsequent shallow processing of the claims. To the contrary, when interactivity is low, distrust is immediately generated, leading to central processing and closer scrutiny of a retailer's claims.

Several authors demonstrate that increased interactivity (while holding content constant) leads to more positive website evaluations, which then produce more favorable attitudes toward the brand and higher purchase intentions (Cho & Leckenby, 1999; Jee & Lee, 2002; Yoo & Stout, 2001). Montoya-Weiss, Voss, and Grewal (2003) show that website interactivity increases perceptions of online service quality; similarly, a recent meta-analysis of 15 years of research on e-service quality (Blut, Chowdhry, Mittal, & Brock, 2015) reveals positive relationships of website design, including website interactivity, with several metrics of e-service quality (e.g., customer satisfaction, repurchase intentions, overall quality perceptions).

Formally, we propose:

H2. Increased website interactivity leads to more favorable evaluations of the website than websites with low interactivity.

2.3. Website interactivity as a boundary condition of inflated product claims

A major limitation of the extant literature on website interactivity is that previous studies have only used websites with accurate/honest claims; thus, an open question remains regarding how website interactivity may affect the processing of inflated product claims. As discussed previously, we argue website interactivity acts as a heuristic of trustworthiness. Specifically, a better designed, more interactive website appears more trustworthy, and a poorly designed, non-interactive website appears questionable and cues distrust (MacInnis & Jaworski, 1990; Mangleburg et al., 1998; Miyazaki, Grewal, & Goodstein, 2005).

Website trust, and by extension, elaboration route, has a direct effect on the processing of claims that appear online. When a website is well-designed and interactive, users can easily click on navigation links and read information that is well-formatted and easy to understand, giving these customers an illusion of control and a sense of engagement with the website's content which leads to trust and peripheral processing. When information is processed this way, people assume that the claims on the site are true, and believe that there's no need to carefully dissect information on the site (adopting the peripheral route). These beliefs lead consumers to view inflated claims instead as strong claims (discounting the inflation), thus prompting the most positive website evaluations (see Fig. 1).

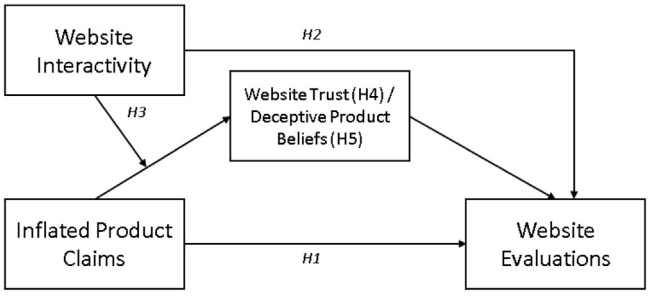

Fig. 1. Conceptual model.