

Do stereotypes drive consumer purchases from for-profit or nonprofit organizations?

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Consumers perceive non-profit organizations as being "warm," but not particularly competent, according to a new study in the *Journal of Consumer Research*.

"Across three experiments, we found that consumers hold stereotypes, or shorthand, blanket impressions about non-profit and for-profit organizations and that these stereotypes predict crucial marketplace behaviors, such as the likelihood of visiting of a website and willingness to buy a product from the organization," write authors Jennifer Aaker (Stanford University), Kathleen D. Vohs (University of Minnesota), and Cassie Mogilner (University of Pennsylvania).

The authors found that people generally view for-profit companies as being competent, but also as being devoid of warmth, which does not lead people to admire them.

In contrast, they found that consumers perceive non-profits as being warmer than for-profits, but they also believe they are less competent than for-profits. Therefore, if consumer stereotypes are not interrupted, people are more likely to buy products from for-profits than non-profits.

Non-profits can boost [public perception](#) by understanding and using tools that most effectively convey competence, the authors write. For example, non-profits can utilize sub-branding, endorsements, and sponsored events to avoid the general [perception](#) that they are in some way incompetent.

"Our results demonstrate a major difference from findings regarding the warmth and competence perceptions of people," the authors write. "It is well-established that perceptions of people are better predicted by perceptions of warmth than by perceptions of competence. However, in our studies of firms, perceived competence predicted global endpoints (such as willingness to buy) better than perceived warmth. In this regard, our work represents an intriguing departure from work on perceptions of humans."

More information: *Journal of Consumer Research*: August 2010. A preprint of this article can be found at journals.uchicago.edu/jcr

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