

Buyer backlash: Why do slogans about saving money increase spending?

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A new study in the *Journal of Consumer Research* reveals a strange facet of consumer behavior: people behave differently when they encounter companies' brands than they do when they encounter their slogans.

"Exposure to the retailer brand name Walmart, typically associated with <u>saving money</u>, reduces subsequent spending, whereas exposure to the Walmart slogan, (Save money. Live better.) increases spending," write authors Juliano Laran (University of Miami), Amy N. Dalton (Hong Kong University of Science and Technology), and Eduardo B. Andrade (University of California, Berkeley).

It's not just Walmart that produces this curious reverse effect. In one study, researchers told participants they would be participating in a recall task. Half of the participants were exposed to several names of retailers associated with saving money: Walmart, Sears, Home Depot, Ross, and Dollar General. The other participants were exposed to the corresponding slogans of the same retailers—for example, "The Good Life at a Great Price. Guaranteed" (Sears). The task was aimed at priming the brand names or slogans without participants' awareness.

In a second task, participants were asked to imagine they were shopping in a mall and to indicate how much they were willing to spend during their shopping trip. "While participants that had been exposed to the 'saving' brands were willing to spend \$94 on average, participants that had been exposed to the 'saving' slogans were willing to spend \$184 on average," the authors write. "Therefore, the brands associated with



saving money led participants to save money, whereas the slogans associated with saving money led to a behavioral backlash and more spending."

In another study, consumers who were subliminally exposed to the word "slogan" wanted to spend more when exposed to a savings message and less when exposed to a sentence that encouraged luxury spending.

"Companies may be trying to attract customers with slogans associated with saving money, but in fact, this strategy may make consumers spend more money than they would if they had not been exposed to the slogans," the authors conclude.

More information: Juliano Laran, Amy N. Dalton, and Eduardo B. Andrade. "The Curious Case of Behavior Backlash: Why Brands Produce Priming Effects and Slogans Produce Reverse Priming Effects." Journal of Consumer Research: April 2011 (officially published online September 10, 2010).

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