

Create intimacy with consumers or donors: Ask for their input

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People feel closer to businesses and nonprofits that solicit their advice, but soliciting expectations can distance potential customers, according to a new study in the *Journal of Consumer Research*.

"Marketers and nonprofits alike regularly solicit input from customers or donors for myriad reasons, most notably to measure consumers' preferences, expectations, and satisfaction," write authors Wendy Liu (USCD) and David Gal (Northwestern University). Interactive media such as <u>Facebook</u> and <u>Twitter</u> are providing even greater opportunities for interaction with customers.

The researchers looked at whether providing input affected the customer's subsequent <u>interactions</u> with the organization. In experiments they found that participants expressed a greater likelihood that they would patronize a fitness center ("EcoGym") and a restaurant business (a healthy fast-casual restaurant called "Splash") after they provided <u>advice</u> to those organizations than when they were not asked for their input or after they were simply asked for their opinions of those organizations. "Relative to no input, soliciting advice tends to have an intimacy effect whereby the individual feels closer to the organization," the authors write.

On the other hand, soliciting expectations has the opposite effect, distancing the individual from the organization and diminishing their likelihood of donating to or purchasing from the organization. "Stating expectations tended to make <u>consumers</u> focus on themselves and their



own needs, and that the organization existed merely to service their needs," the authors explain. "This perspective created a sense of distance between the participant and the organization, thereby reducing subsequent purchase."

The authors also found that when companies pay customers for advice, it does not increase purchase likelihood, as it shifts the customer's relationship to one based strictly on economic exchange. They also found that if consumers detect insincerity (companies merely asking advice to get them to donate or purchase) such efforts could backfire.

More information: Wendy Liu and David Gal. "Bringing Us Together or Driving Us Apart: The Effect of Soliciting Consumer Input on Consumers' Propensity to Transact with an Organization." Journal of Consumer Research: August 2011. Further information: <u>ejcr.org</u>

Provided by University of Chicago

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