

# Price fairness: When do consumers blame the Michelin Man?

July 7 2015

---

If you feel particularly annoyed when Michelin raises the prices of their tires, blame the Michelin Man. According to a new study in the *Journal of Marketing*, companies whose brands are represented by or associated with human or humanlike figures (think the Michelin Man or Colonel Sanders or Mrs. Paul) are often perceived to be taking advantage of consumers when they raise their prices.

"When brands are humanized, [consumers](#) attribute human motives to those brands. Consumers are more likely to see price increases in those brands as the result of a manager trying to see how much he can charge rather than responses to impersonal market forces," write the authors of the study, Hyokjin Kwak (Drexel University), Marina Puzakova (Lehigh University), and Joseph F. Rocereto (Monmouth University).

The study demonstrates that brand humanization has important implications for perceptions of price fairness. To conduct their study, the authors interviewed shoppers in a mall and used data from consumers in Wisconsin and Massachusetts. They relied on independent judges to categorize brands as humanized or non-humanized. In the end, the authors selected six categories of products: frozen pizza, margarine/spreads/butter, paper towels, potato chips, toilet tissue, and yogurt.

Brand humanization has real consequences on consumer price sensitivity. Price increases reduced demand for a brand and price decreases enhanced demand for a brand to a greater extent in the case of

humanized brands than in the case of non-humanized brands.

Brand humanization works differently on consumers who are more focused on their own needs than on consumers who are more attuned to the needs of others. The latter view both an increase and a decrease in price as fairer when a brand is humanized (vs. non-humanized).

Conversely, self-focused consumers see price increases as less fair by a humanized (vs. a non-humanized) brand.

"Companies and managers should develop careful communication strategies to manage consumer perceptions of the motives behind a price increase, especially if the [brand](#) is humanized," write Kwak, Puzakova, and Rocereto. "In that case, marketers might be better off emphasizing the external causes of a price increase."

**More information:** Hyokjin Kwak, Marina Puzakova, and Joseph F. Rocereto. "Better Not Smile at the Price: The Differential Role of Brand Anthropomorphization on Perceived Price Fairness." Forthcoming in the *Journal of Marketing*.

Provided by American Marketing Association

Citation: Price fairness: When do consumers blame the Michelin Man? (2015, July 7) retrieved 15 May 2024 from <https://phys.org/news/2015-07-price-fairness-consumers-blame-michelin.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.