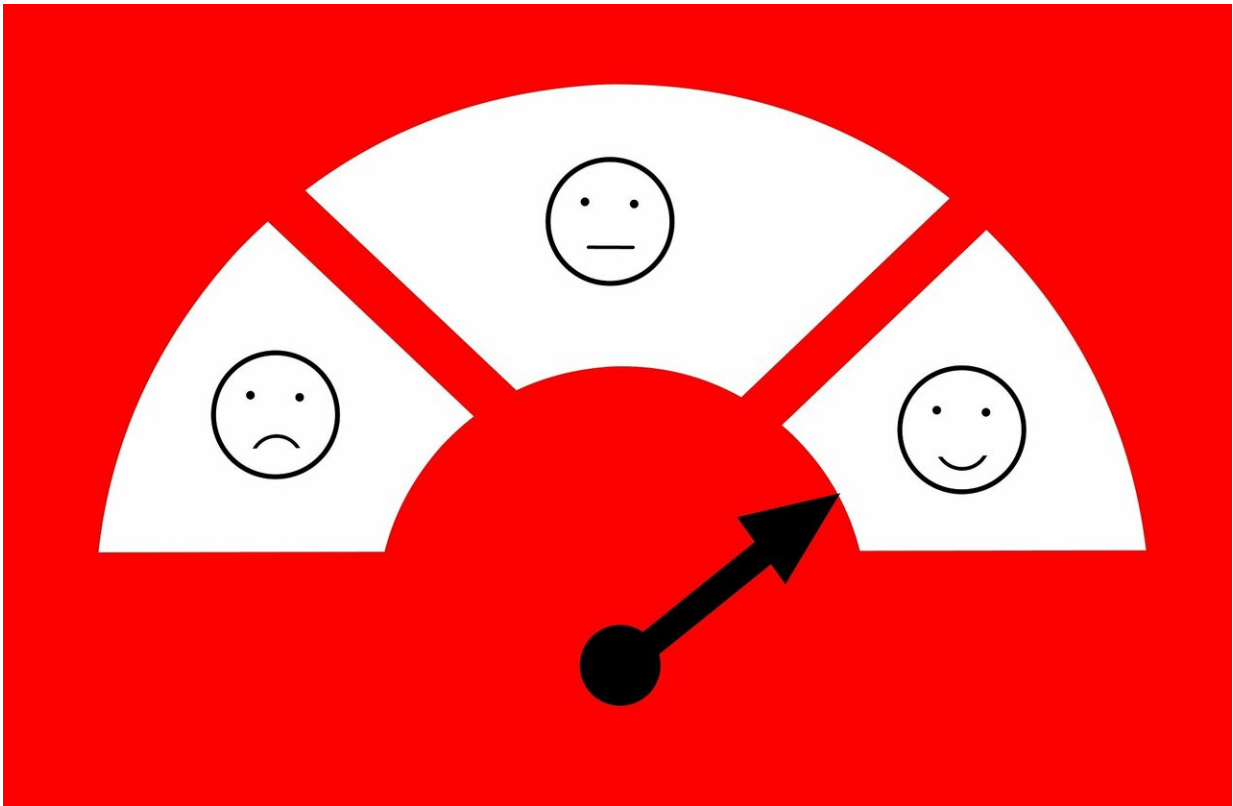


Praise that slays: How complimenting a competitor can drive a firm's revenues

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Researchers from Duke University and University of Wisconsin—Iwaukee published a new paper in the *Journal of Marketing* that explores what happens when brands communicate positively toward their competitors.

The day Nintendo launched the Switch gaming system, both Xbox and PlayStation made a surprising move: They publicly congratulated Nintendo on Twitter. Brands typically avoid complimenting their competitors because they do not want to offer a rival brand free publicity. However, the response to this was positive. The posts generated a significant number of likes and retweets for Xbox and PlayStation. In fact, these compliments, on average, generated over ten times more likes and retweets for the brands than their usual content.

The research team ran nearly a dozen experiments that show that a brand that compliments a [competitor](#) ends up boosting its own reputation and sales. Initial experiments compared a brand complimenting a competitor, which is termed "brand-to-brand praise," to traditional brand communication, such as self-promotional messages or informative content. Results showed that brand-to-brand praise indeed boosts preferences for the praiser brand. In one particular experiment, half of the participants were shown a fictitious tweet in which Kit Kat complimented a top competitor, Twix ("@twix, Competitor or not, congrats on your 54 years in business! Even we can admit—Twix are delicious"). The other half of participants saw a tweet in which Kit Kat mentioned its own products ("Start your day off with a tasty treat!"). After 11 days, participants reported any candy purchases since the time they completed the study. Zhou says that "Those who saw the tweet in which Kit Kat praised Twix purchased Kit Kat 34% more frequently compared to those who saw the tweet from Kit Kat about its own product. Importantly, we found that Twix sales didn't increase, even after Kit Kat called Twix delicious."

Next, the researchers sought to better understand why brand-to-brand praise led to more positive consequences for the praiser. As Du explains, "Through our subsequent studies, we found that the brand was viewed as 'warmer,' meaning it was perceived as more friendly and trustworthy, after complimenting a competitor. It is this warmth that drives the

favorable outcomes for the praiser—outcomes that include greater brand engagement and higher sales."

The study also uncovered when brand-to-brand praise is most effective. There are certain types of consumers and certain types of brands that are most likely to benefit. With respect to consumers, skeptical consumers actually respond most positively to brand praise. When consumers read a tweet from Lyft that praised rival company Uber ("@Uber Congratulations on all your achievements this past year!"), skeptical consumers showed the greatest increase in attitudes toward the praiser, seemingly disarmed by the praise. With respect to brands, brand-to-brand praise has the largest effect for organizations that are not traditionally seen as warm or caring, such as for-profit brands.

Lastly, the study found that praising a competitor will only be effective when done in an authentic manner. "Praise that appears disingenuous or is not perceived as risky will not be accepted as a meaningful indicator of warmth. In one experiment, we demonstrated that when observing praise towards a non-competitor brand, in particular, an eyewear brand complimenting a hamburger brand which would not be viewed as a risky behavior, consumers did not form more positive evaluations of the eyewear brand," says Cutright.

While praising the competition seems to go against [conventional wisdom](#), this research shows that it can result in many favorable outcomes for the praiser brand. Given the rise of social media in the digital age, brands can now easily communicate with each other and be observed by [consumers](#). Managers may wish to capitalize on this opportunity by utilizing brand-to-brand praise as a way to foster a warmer [brand](#) image and produce more positive downstream consequences.

More information: Lingrui Zhou et al, EXPRESS: Befriending the Enemy: The Effects of Observing Brand-to-Brand Praise on Consumer

Evaluations and Choices, *Journal of Marketing* (2021). DOI: [10.1177/00222429211053002](https://doi.org/10.1177/00222429211053002)

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