

Modeling Consumer Evaluation of A Branded Competitive Event

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ABSTRACT: *In this study, our aim is to examine consumer attitude towards a branded competitive event. To this end, through a review of literature, we drew up an evaluation model of Tunisian consumers' attitude towards an extension move of market offers by a hypermarket (Diwara T. 2007[1]). Our model refers to the reasoned action theory and extrapolates it on the Tunisian context. The results indicate that there is significant relationship between attitude towards the brand and the intent to purchase the competitive event.*

Keywords: *Consumer, hypermarket brand, a competitive event.*

I. INTRODUCTION

Consumers' evaluation of a branded competitive event seems to be an important component of a brand's decision to launch such an event. Indeed, a retail brand's extension of an offer in the shape of a competitive event, allows it for standing out from its rivals. Then, consumer's acceptance or refusal of this event determines the success or failure of such a diversification and innovation move. For this reason, this study tries to propose an evaluation model of a branded competitive event launched by a hypermarket. Therefore, we review theories of attitude formation to present a model dealing with consumers' evaluation of an expansion of market offers by a hypermarket, Diwara T. (2007). Our research question is the following: How could the Tunisian consumer assess a competitive event of Carrefour hypermarket?

II. REVIEW OF THE LITERATURE:

Competitive events reflect any strategic action and explore its impact on business performance (Bensebaa F. 2003[2]). A brand's expansion of market offers as a competitive event is also defined by any specific strategic action whose aim is to provide its launcher a competitive advantage. This competitive move may upset market shares in favor of its launcher. The significant contribution of examining such competitive events is first to isolate a very particular and specific event and detect its impact on one or more variables such as company performance. Second, such a concern with competitive events may inform decision-maker about the success of such a policy and its effect on the nature and magnitude of the response taken by the competitor. In our study, the usefulness of studying a competitive event lies in determining the impact of its extension on consumer behavior. However, the difficulty with such studies is first the ability to identify the moment when the observed will undergo the event and second the ability to execute this observation within a selected sample (Bensebaa F. 2003). Indeed, in marketing with the quick pace research and development and the progress in strategic management, we face a difficulty of choosing among branded competitive events that would be able to guarantee a notable and observable effect on competition or on consumer behavior. Businesses can plan in the long-term activities and events whose strategic role is to create a difference with competitors. Indeed, to maintain their positions in the market in which they operate or to penetrate other rapidly growing markets, companies compete by resorting to innovation and planning for the long term. However, strategic actions emanating from the company's internal growth are not limited to innovation but they are accumulated by combining various opportunities for growth.

2.1 A Consumer evaluation model of extending an offer by a hypermarket

In this study, we define the chosen competitive event as the extension of a market offer of a brand. Consumer evaluation of this event is operationalized by studying their attitude towards the service offered by this event. Lendrevie J., J. Levy, Lindon D. (2006) [3], define consumer attitude as "... predispositions of an individual to evaluate in a certain way messages, objects and people and to act before them. They are more or less coherent sets of beliefs, feelings predispositions that individuals have acquired or have been transmitted to them". Components of attitudes are: knowledge and beliefs (cognitive elements), feelings (emotional elements) and tendencies to act (conative elements). Interest in studying attitude relates to the fact that attitude predicts, guides, affects and transforms consumer behavior. Diwara T (2007) states that there are 16 definitions of attitude in 1953 of which 14 were developed between 1922 and 1934 and that the most interesting are those that explain the role of attitude in explaining consumer behavior. The author cites the definition of Allport (1953): a "mental and neuropsychological readiness to respond, structured following an experience and which has a director and dynamic effect on the individual's response to all objects and all situations related to it" (cited in

Anderson, 1978, p50). We can deduce from this definition that attitude is a mental predisposition to an object and is greatly influenced by experience. This attitude has a driving and an inciting effect on impulses and on consumer responses mainly while assessing an object. Components of attitude (cognition, affection and conation) were first introduced by Rosenberg and Hovland in (1960), except that they have subsequently raised controversies by many other authors, especially on the intent to react (after Diwara T (2007)). Another definition of attitude that was taken by contemporary authors discusses attitude in terms of a one-dimensional construct, while considering its components mentioned above as antecedents and consequences of attitude. This is the evaluative principle of attitude (Diwara T, 2007). According to Vallerand R. J., Deshaies P. &Cuerrier J. P., Pelletier L. G., Mongeau C. (1992) [4], attitude is a way to assess an object or situation that leads to a either a favorable or unfavorable position towards the object. Since wetry to study the relationship between attitude towards an object (event) and consumer behavior towards this object, we present the evaluative conception of attitude. The relationship attitude and behavior (Fishbeinand Ajzen ,1980, 1985.1988) is undertaken under the innovative model of the reasoned action theory whichis claimed to effectively measure attitude and explain and predict consumer behavior.

2.2 The attitude-behavior relationship: the reasoned action theory of Fishbein and Ajzen (1980):

The theory started out of the idea that human behavior is in most cases rational and logic. The theory tries to explore purchasing behavior through decision-making. Diwara T (2007) following Fishbein and Ajzen (1980, 1985.1988), presented his model as follows: "behavior of an individual is directly determined by his intention to achieve this behavior. In turn, intention is a function of two variables: attitude of the individual towards achieving a behavior and the subjective norm associated to the fact of adopting that behavior". Attitude is treated in this model in two components, namely behavioral belief and evaluation of consequences. Both authors present here a three-dimensional theory that highlights the cognitive and conative components. Hence, the scheme of Fishbein and Ajzen (1975) is presented in figure 1.

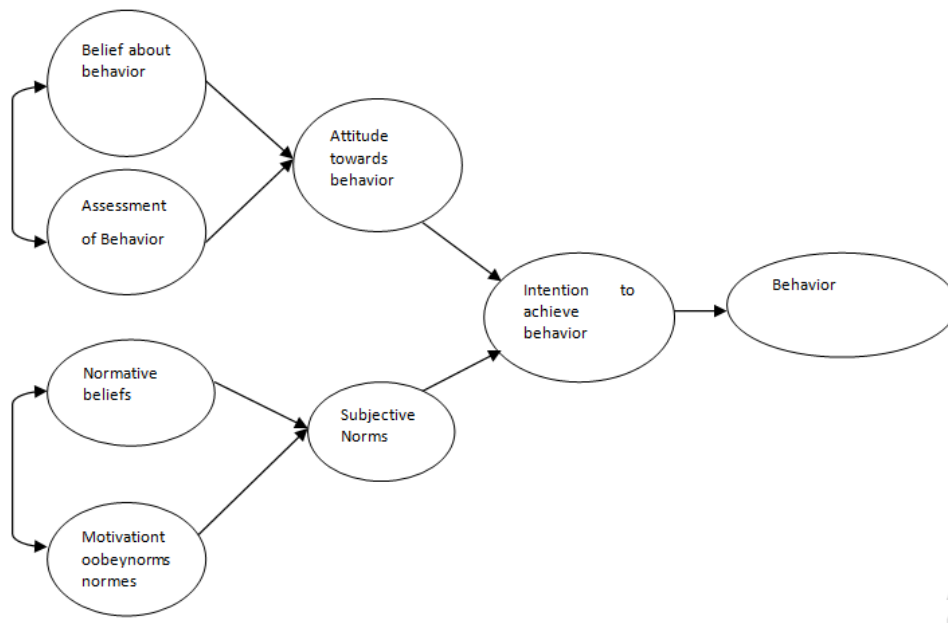


Fig 1: Reasoned Action Theory

Vallerand R. J., Deshaies P. &Cuerrier J. P., Pelletier L. G., Mongeau C. (1992), « Ajzen and Fishbein’s theory of reasoned action as applied to moral behavior : A confirmatory analysis ». Journal of personality and social psychology. Vol 62. N°1, page : 99. As for the subjective norms, they refer to perceived social pressure to achieve or not achieve behavior. These standards consist in turn of normative beliefs issued from a reference group of people and from motivation to submit to the opinion of these people. According to Fishbein and Ajzen (1975), attitude, as an isolated phenomenon, obeys a one-dimensional concept that refers to a more or less favorable or unfavorable evaluation of achieving the behavior. If scrutinized closely, attitude towards achieving behavior consists of a combination of two components. To implement the reasoned action theory, Fishbein and Ajzen (1975) use the conception of attitude of Fishbein (1967). This latter states that attitude towards an object depends on the strong belief that this object has certain attributes and also on the favorable or unfavorable evaluation of each of these attributes and, finally, on the number of these attributes. Thus, the formula formulated by this model to attitude is written as follows:

$AACT = \sum b_i a_i$, with $i = 1, 2, \dots, n$.

AACT: attitude toward the object or act;

b_i : strength of the belief that the object or act has the attribute or consequence i ;

a_i : favorable or unfavorable evaluation of the attribute of the result i ;

n : number of considered attributes.

This model was adapted from the model that predicts consumer preference for the choice of brands. Diwara T (2007) following Fishbein and Ajzen (1975), and through this model, established a theoretical relationship between attitude and its cognitive components. Therefore, strong beliefs that an object has certain attributes and evaluation are cognitions related to attitude. Then $\sum b_i a_i$ is the cognitive structure of the individual about the object and subsequently represent their attitude towards that object. Based on the concepts of attitude and reasoned action theory, we present in what follows our research model adapted from Diwara T (2007). The model tries to determine the factors that come into play in consumers' evaluation process of expanding an offer by a brand, operationalized in this study as a competitive event.

This model is adapted from that of Diwara T. (2007), designed and implemented as part of a doctoral research that examines the factors taken into account by individuals during their evaluation process of a branded service extension. In this study, we will try to adapt this model to consumers' evaluation of a competitive event (extension of the offer by a brand) undertaken by a retail chain (hypermarket) and describe the effect of this event on their attitude towards the event and the brand. How then is consumer attitude transferred from evaluation of the brand to that of the event directly and indirectly?

2.3 Effect of attitude towards the brand on the evaluation of the offer extension of the brand:

Diwara T. (2007), following Cohen 1982, Fiske 1982, Fiske and Pavelshak 1986, states that when an individual encounters a new element of a category, categorization theory suggests that attitude towards the category is transferred to the new item depending on their membership to the category and not on its attributes. Thus, this is true for brand extension: a transfer of the attitude towards the brand to its offer extension is hypothesized. Indeed, according to Diwara T. (2007): "extending a service bearing the name and logo of the brand is considered as a member of the brand's cognitive category. Transferring attitude towards the brand to its service extension is achieved directly and holistically, as suggested by the attitude formation model of Cohen (1982)". In this study, this direct transfer of attitude will be examined through a transfer of attitude towards a hypermarket to the launched event. Therefore, we formulate the following research hypothesis:

H.1: Attitude towards the brand hypermarket positively affects attitude towards the competitive event.

The second aspect of attitude transfer is assumed by analytical categorization theory to be an indirect one (Smith K. G.; Grimm C. M.; Gannon M. J.; Chen M.J. (1991) [5]).

2.4 Effect of a brand's attributes on the evaluation of the brand's new service

The model of Diawara T. (2007) uses the sequence (cognition, affection, conation) to examine evaluation of a brand's new service or offer similar to the attitude formation model and intent to behave towards a new object of Fishbein and Ajzen (1975). Indeed, according to Diwara T. (2007): "... an individual's intention to behave towards a new object is influenced by attitude towards that object, considered a unidimensional concept (Fishbein 1967), which itself is determined by the individual's cognitive structure about the object. The latter corresponds to the strength of the belief that this object has certain attributes sought by the individual, to the positive or negative evaluation of each of these attributes, and the number of these attributes". In this study, we will try to verify whether the reactions towards the brand hypermarket follow the proposals of Diwara F. (2007), in the sense that they will influence the cognitive structure of the individual about the event, which is the brand's offer extension. Hence, the following research hypothesis formulated:

H.2: attributes of the hypermarket have a positive effect on the cognitive structure about the competitive event. This cognitive structure reflects is the strength of belief and the favorable or unfavorable evaluation of each attribute.

The next hypothesis tries to determine whether this cognitive structure could affect attitude towards the event.

H.3: The cognitive structure about the competitive event has a positive effect on attitude towards this event.

Following the model of Diwara F. (2007), we will examine whether attitude towards the competitive event will affect the purchase intention of the brand's offered service, which represents the conative component of the process cited above.

H.4: Attitude towards the competitive event has a positive effect on the purchase intention of the service offered in this competitive event.

To construct our research model (see Figure 2), we referred to research on behavior, consumer attitudes towards retailing, (kaabechi 2007[6]); (Ducroux S. 2004 [7]), and attitude formation models in particular the reasoned attitude formation model of Fishbein and Ajzen (1975.1980), Smith and Medin (1981), Diwara T. (2007). However, lacking a model that assesses consumer evaluation of a retailing competitive event and its impact on

purchase intent, we referred to Diwara T. (2007) to examine evaluation of a service extension by a hypermarket. The choice of the competitive event seems relevant as it touches both on diversification and innovation components of competition. Practically, we sought the help of two managers of two Tunisian brands who consider such events as likely to be launched by their hypermarkets.

The choice of the service is included in the face-to-face interview with the managers of the brand/hypermarket. We chose car maintenance and wash service at Carrefour Tunisia. However, our empirical study consists of:

- First, conducting a qualitative study (to determine attributes of Carrefour), which was the outcome of a content analysis of respondents' statements about what they think of Carrefour.
- Second, operationalizing our model by conducting a quantitative study (exploratory and confirmatory). Use of structural equation modeling will allow us to test the relationships between the latent variables of the structural model. The data will be processed by means of SPSS.18 and AMOS software. We will validate the three measurement scales of our questionnaire in three main stages: screening the data, conducting factorial principal components analysis (PCA) and validating reliability of each dimension extracted by PCA by means of Cronbach's alpha.

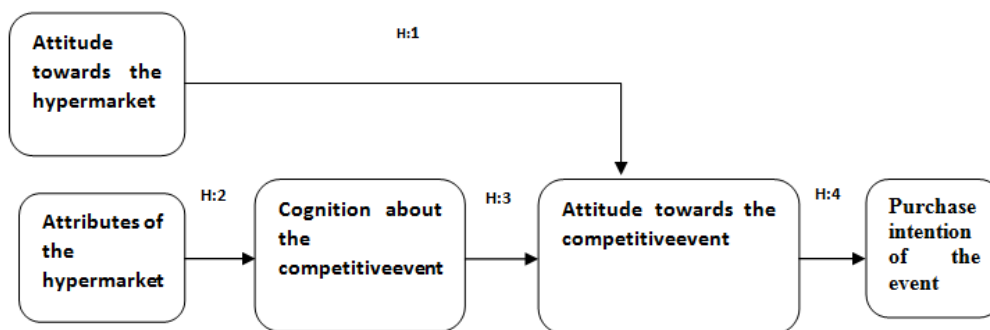


Fig 2: The research model

III. CONCLUSION

In this study, we determined the mechanisms by which the consumer evaluates an event through the attributes of a brand to form an attitude towards the brand. Our aim is to determine whether the success of an offer extension of a brand would be the result of perceiving the offered service and the attributes of retailing reflecting the attributes of this type of business. We examined also whether there is a direct transfer of attitude towards the brand to the offered event (positive effect of attitude toward the brand on attitude towards its service extension). Accordingly, the positive opinion of an individual of an event proposed by the hypermarket Carrefour could depend on the simple fact that he likes this brand, and without referring to the attributes of the service. Thus, this study will allow Carrefour managers a better decision-making on the events they should plan as extension of their service. They can refer to this study to assess the chances of success of such extensions. Note that the model developed in this study can be applied to any other competitive event that might be proposed by a brand. Our study proposes to model a consumer's evaluation of other events and determine the most important factors that managers should consider to launch such events. Then, managers can be aware of the events that will likely promote the image of their brand and those events that are typical to their ethical and practical practices. Therefore, success of a competitive event resulting from an offer would depend on perceiving the proximity between the provided service and the attributes of the brand. The study showed whether a direct transfer of attitude towards the brand to its event would be established. The study also unveiled how a relatively complex evaluation mechanism depends on the attributes of the brand, consistent with models of attitude formation and behavioral intention towards a new object, in particular those of Fishbein and Ajzen (1975) Ajzen and Fishbein, (1980) and Ajzen (1985, 1988), cited by B. Loken (1983) in Diwara (2007) and Michelik F. (2008) [8]. Specifically, the attributes and benefits of the brand could have a positive effect on the cognitive structure with regard to a brand's competitive event, which in turn would influence attitude towards the competitive event. The latter would have a major influence on purchase intent of the competitive event.

IV. LIMITATIONS OF THE MODEL

This study has a number of limitations that should be mentioned to appreciate more the scope of the results. From a conceptual point of view, the recommended model could be enriched by other variables that would better identify and explain a brand's competitive event. Of these variables, we mention typicality of the offer extension (represented by the event) and the relevance of the service extension to the market. There are, among others, other variables related to the individual like trust in the brand, involvement and perceived risk. From a methodological point of view, a first limitation relates to evaluating a virtual service extension.

Respondents will therefore have limited knowledge to be able evaluate. A second methodological limitation is the external validity of the study. Indeed, the study focused on one single brand of hypermarkets and conducted with a sample consisting exclusively of regular customers of the Carrefour brand.

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