There has been a growing interest in the marketing literature in the effects of negative brand publicity on consumer perceptions (Ahluwalia, Burnkrant, and Unnava, 2000; Dawar and Pillutla, 2000; Roehm and Tybout, 2006). Such interest has been triggered by heavily mediatised brand scandals such as the 1982 Tylenol cyanide poisoning episode and, more recently, the 2007 massive recall of made-in-China Mattel toys containing excessive levels of lead paint. In Canada, the 2008 listeria crisis that has caused the death of 17 people and forced Maple Leaf Foods to close its Toronto plant and recall nearly 200 of the products made at this plant, attests to the social relevance and modernity of negative brand publicity as a research topic in marketing.

Researchers working in this area have mainly been interested in explaining how negative brand information is mentally processed, and more specifically how it diffuses to relevant brand linkages such as sub-brands (e.g., from Maple Leaf to Schneider), cobrands, and competing brands (e.g., from Maple Leaf to Hygaard) (see Lei, Dawar, and Lemmink, 2008). However, they have mostly ignored the nature of negative brand publicity itself and its impact on consumer information processing. In particular, in an increasingly globalized marketplace, processing negative brand publicity is likely to be complicated and may even lead to ambiguous consumer attributions. For instance, in the Mattel case, the negative publicity led to two major types of locus attributions: (1) those associated with manufacturing in China, which we refer to as country-of-manufacture (COM) related, and (2) those associated with the company’s inadequate product design, which correspond to a corporate ability (CA) related problem.

Research on attribution theory has shown that people are not passive information receptors; they usually want to make sense of the available information by trying to find out its probable causes (Folkes, 1988; Kelley, 1967). Thus, consumers who are informed of a brand scandal will usually go beyond the negative information in order to construct a coherent schema: How severe is the product-harm crisis? How proactive is the company’s response strategy? To what extent is the company responsible? To which products within the company's brand portfolio is the problem applicable? To which competing offerings does the problem generalize?

This research investigates the moderating influences of locus of attributions on the impact of perceived severity and proactive response strategy on consumer reactions to negative brand publicity. Building on the attribution theory, a cognitive response framework is developed for handling brand negative publicity. Our results obtained from a sample of 282 respondents demonstrate that in the event of product-harm crisis, perceived severity of the problem, response strategy, and specific nature of causes of attributions affect consumers’ brand perceptions and repurchase information search behavior in a complex manner. Theoretical and managerial implications are discussed.

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Dr. ZHOU Lianxi is Professor of Marketing and International Business at Brock University. The Faculty of Business at Brock is one of the first Canadian business schools that have been accredited by AACSB International. Professor Zhou brings a wealth of experience from teaching, research, and business consulting, having worked in different institutions across the Chinese mainland, Hong Kong, and Canada for over a decade. He has taught at post graduate and executive level. Professor Zhou has published extensively in the fields of marketing and international business and his work has appeared in leading journals including Journal of International Business Studies, Journal of Business Venturing, Journal of the Academy of Marketing Science, Journal of World Business, Journal of International Marketing, European Journal of Marketing, Industrial Marketing Management, and Journal of Business Research among others. Currently he undertakes several government-funded research projects. Dr. Zhou’s research is mainly in the areas of strategic marketing and firm internationalization.

Date 15 December 2011 (Thursday)
Time 2:15 - 3:30pm
Venue ADG07, Wong Administration Building
Language English

*** All are Welcome ***
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