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Moderating Role of Brand Attachment in Brand Crisis. To What Extent Does Brand Attachment Affect Purchase Intention in Brand Crisis: a Study Based on Apple's Crisis in China.

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This thesis was written as a part of the master program at NHH. Neither the institution, the supervisor, nor the censors are - through the approval of this thesis - responsible for neither the theories and methods used, nor results and conclusions drawn in this work.

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Anton A. Shestakov

Abstract

Brand crisis can often lead to negative publicity which substantially affects purchase intention. Brand attachment, on the other hand, possesses marketing value since it helps the consumer choose a brand from a set of available brands in a certain market, has a positive effect on repeat purchase, and provokes the willingness to recommend a brand. This study attempts to examine purchase intention after Apple's employee management crisis in China. It will do so by testing the blame attribution model by Bråthen (1999), and including brand attachment as a moderator. This model utilizes attribution theory which explains how consumers attribute causation to the crises and which factors affect consumer behavior (purchase intention) as a result of this attribution. Empirical testing using a questionnaire of 80 NHH students confirmed most of my hypothesized effects, presented in the analysis, except for the insignificant moderating effect of brand attachment on perceived control over employee management by industry and the nature of relationship between the two variables. Finally, managerial implications, suggestions for future research and limitations of my findings are discussed.

Contents

| A | Abstract | 3 |
|----|---|----|
| Li | ist of Tables and Figures | 6 |
| Fo | oreword | 8 |
| 1. | . Introduction | 9 |
| 2. | . Conceptual Framework | 11 |
| | 2.1. Importance of Branding | 12 |
| | 2.2. Brand Crisis and Mass Media | 13 |
| | 2.3. Brand Attachment | 16 |
| | 2.4. Brand Attachment and Positive Brand Attitude | 17 |
| | 2.5. Attribution Theory and the Blame Attribution Model | 19 |
| | 2.5.1. Consumers Role in Crisis | 20 |
| | 2.5.2. Blame Attribution Model | 20 |
| | 2.5.3. Central Dimensions of Blame Attribution | 21 |
| | 2.5.4. Integrated Approach: Control, Locus, Stability | 24 |
| | 2.5.5. Affective and Emotional Reactions | 25 |
| | 2.5.6. Emotional Outcomes | 26 |
| 3. | . Method | 27 |
| | 3.1. Data Collection and Sample | 27 |
| | 3.1.1. Constructing the Questionnaire | 28 |
| | 3.2.2. The Scenarios. Integrating Attribution Theory | 31 |
| | 3.2. Measures | 34 |
| | 3.2.1. EBA Scale | 34 |
| | 3.2.2. Explaining the EBA Scale | 35 |
| | 3.2.3. Reliability of EBA Scale | 36 |
| | 3.2.4. Principal Component Analysis (PCA) of EBA Scale | 37 |
| | 3.2.5. Purchase intention Scale | 38 |
| | 3.2.6. Measuring Attribution Control Questions | 39 |
| 4. | . Analysis | 39 |
| | 4.1. Attribution Control | 40 |
| | 4.1.1. Manipulation Check | 41 |
| | 4.2. ANOVA Analysis of Purchase intention (Model 1) | 43 |

List of Tables and Figures

| Table 1: EBA scale | 35 |
|---|----------------------------|
| Table 2: Reliability Statistics (EBA) | 36 |
| Table 3: Item-Total Statistics (EBA) | 36 |
| Table 4: KMO and Bartlett's Test (EBA PCA) | 37 |
| Table 5: Measuring Purchase Intention | 38 |
| Table 6: Manipulation Check (Control Apple). Group Statistics | 41 |
| Table 7: Manipulation Check (Control Apple). Independent Samples T-Test | 42 |
| Table 8: ANOVA Analysis of Purchase Intention | 43 |
| Table 9: ANCOVA. Tests of Between-Subjects Effects. Dependent Variable- Purchase Intention, Independent Variable- Treatment (Blame\No-blame Groups), Covariate – EBA. | 47 |
| Table 10: ANCOVA. Mean and Std. Error in Blame and No-blame Groups | 47 |
| Table 11: ANCOVA Tests of Between-Subjects Effects. Dependent Variable- Purchase Intention, Independent Variable- Treatment (Blame\No-blame Groups), Covariates- EBA, Control Apple | |
| Table 12: ANCOVA. Estimated Marginal Means | |
| Table 13: ANCOVA. Tests of Between-Subjects Effects. Dependent Variable- Control Industry, Independent Variable- Treatment (Blame\No-blame Groups), Covariate- EBA | |
| Table 14: Frequency Statistics. Bias | 57 |
| Table 15: ANCOVA with Purchase Intention as Dependent Variable, Treatment as | 5 0 |
| Independent Variable; EBA and Bias as Covariates | 38 |
| Independent Variable; EBA and Bias as Covariates | K |
| Table 16: EBA-PCA Analysis. Total Variance Explained, Correlations, Component Matrix and Communalities | x 65 |
| Table 16: EBA-PCA Analysis. Total Variance Explained, Correlations, Component Matrix | x 65 67 |
| Table 16: EBA-PCA Analysis. Total Variance Explained, Correlations, Component Matrix and Communalities | 65 67 67 |
| Table 16: EBA-PCA Analysis. Total Variance Explained, Correlations, Component Matrix and Communalities | 65 67 67 69 |
| Table 16: EBA-PCA Analysis. Total Variance Explained, Correlations, Component Matrix and Communalities | 65 67 67 69 |
| Table 16: EBA-PCA Analysis. Total Variance Explained, Correlations, Component Matrix and Communalities | 65 67 67 69 69 |

| Figure 1: Simplified Blame Attribution Model (Bråthen 1999) | 21 |
|--|-----------|
| Figure 2: Ratings of Pity and Anger as a Function of the Dimensional Classification | on of the |
| Cause (Weiner et al. 1982) | 26 |
| Figure 3: Flowchart of the Questionnaires | 29 |
| Figure 4: Scree Plot (EBA PCA) | 38 |
| Figure 5: Linear Relationship Between Post-Scenario Purchase Intention and EBA and No-blame Groups | |
| Figure 6: Linear Relationship Between Control Industry and EBA in Blame and No | |
| Figure 7: Extended Blame Attribution Model (Bråthen 1999) | 65 |

Foreword

This paper is the final thesis of my master degree in Marketing and Brand Management at the Norwegian School of Economics and Business Administration (NHH).

I would like to thank Adjunct Associate Professor Mark Pasquine, who gave me the idea of examining whether the degree emotional brand attachment can moderate purchase intention in a brand crisis. I would also like to thank Professor Einar Breivik for useful suggestions and professional support throughout the work on this paper. The process of writing this thesis has been both interesting and informative.

1. Introduction

Many business executives now understand that perhaps one of the most valuable assets a firm has are the brands it has invested in and developed over time. This is due to its long-term marketing implications and effects on loyalty and consumer repurchase frequency. Academic researchers and practitioners have also recently shown significant interest to consumer's attachment to brands. As a theoretical construct, brand attachment describes the strength of a connection that bonds a consumer to a brand. This should affect consumer behavior by increasing brand equity, due to customer lifetime value and brand's higher profitability (Whan Park et al. 2010).

This paper deals with brand attachment, which is a part of brand resonance, or the nature of the brand-consumer relationship, and the extent to which consumers feel that they are "in sync" with the brand (Keller 2008). Examples of brands with high resonance include Nike, Ebay and Apple. Emotional brand attachment is the intense or deep psychological bond that consumers have with a brand, as well as the level of activity created by this type of loyalty. Brand loyalty in its own respect increases repeat purchase rates as well as the extent to which customers seek information about the brand, events correlated with this brand and other loyal customers. All of the above makes brand attachment a highly valuable asset while managing and building a brand's equity.

However, brands can also experience crisis situations from time to time and the implications of these crises can be quiet severe (Duell 2012). Brand crises and negative publicity are important issues to manage due to its negative effects on advertising (reducing its effectiveness), damaging the brand's reputation, reducing brand equity, facilitating negative attitudes and unfavorable associations and thus decreasing purchase intention in a customer target segment (Dahlén and Lange 2006).

The frequency of negative brand publicity is increasing in the everyday business life of brands. In fact, recent research suggests that negative publicity is one of the most important factors that affect consumer buying behavior today (Stewart 2003). Dahlen and Lange (2006) suggest several explanations to this phenomenon. First, publicity is a more influential source of information than advertisement due to its relatively high degree of credibility. Second, given

that the media usually prefers reporting bad news, there is an increased likelihood of negative information exposure to brands and consumers. Third, consumers put greater weight and more energy into processing negative information in their brand judgments, the so called negativity effect, which implies that the negative information becomes more diagnostic compared with the positive.

Another important aspect of brand crises is that they can affect other brands. A recent study by Dahlen & Lange (2006) suggests that brand crises are contagious and can affect a product category in general while also having specific effects on competing brands. A brand crisis rubs off on the entire category and increases its perceived risk. In the event of a crisis consumers tend to become more involved in the purchase and move toward more active relationships where they scrutinize the brands more closely by asking "Could this also happen to my brand"? Therefore, one can assume that negative publicity will affect your brand sooner or later, as some brand in your product category will suffer from a crisis sooner or later. This makes all brands in a product category vulnerable to negative publicity and thus requires greater engagement in the brand management and the monitoring of the brands equity and communication. There are however some moderators which may counteract occurrences of negative publicity, and hypothetically one of them is brand attachment.

In this paper I decided to approach brand crises and see, through conducting a social experiment, whether brand attachment is a moderator of consumer purchase intention when a brand receives negative publicity.

2. Conceptual Framework

Crises, both big and small, happen all the time in the modern business world full of complexity and constant media exposure. Some examples of high-profile brand crises in recent years include Tylenol poisonings, contaminated Taco Bell products and defective Firestone tires (Keller 2008). Whether a company is ready to deal with the crisis or not is an important question. This paper studies the implications of a brand in crisis, specifically the moderating role of brand attachment on consumers purchase intention, when a consumer's favorite brand receives negative publicity from the media. This study includes an example of a recent crisis that happened to Apple due to very poor labor conditions, which resulted in several employee injuries, suicides and deaths (Duell 2012). However, due to the construct of the experiment used in this study the example is generalized.

One of the central theories I will be basing my research on is attribution theory (Bråthen 1999) and its directions, which are most relevant for this paper. The attribution theory explains the way consumers attribute the blame causation to a brand in crisis and the factors that moderate such effects.

I conducted an experiment with 80 students from Norwegian School of Economics and Business Administration with two different blame-scenarios, both based on Apples recent crisis in China. The experiment's purpose was to reveal the extent to which brand attachment moderates purchase intention in brand crisis. 40 participants were given a marketing questionnaire where Apple received the blame for the crises and answered about their purchase intention prior and post the presented scenario. The other 40 participants filled out exactly the same questionnaire, but with a scenario where Apple was portrayed as if the brand did not have any control over the crisis. The construct of the blame\no-blame scenarios was based on the attribution theory and the main three attribution variables, namely locus, stability and control, which stand for cause attribution when a brand is in crisis.

In order to proceed with my results I ran a number of statistical tests and checked whether emotional brand attachment is a significant moderator of purchase intention in brand crisis. The analysis includes results from the conducted experiment, their meaning and their importance for the marketing field.

2.1. Importance of Branding

Branding has been around for centuries as means to distinguish the goods of one producer from those or another. In fact, the word brand is derived from the Old Norse word *brandr*, which means "to burn", as brands were and still are the means by which owners of livestock mark their animals to identify them (Keller 2008).

According to the American Marketing Association a brand is defined as a "name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of sellers and to differentiate them from those of competition". Technically speaking, whenever a marketer creates a new name, logo, or symbol for a new product, he or she creates a brand. However many practicing managers refer to a brand as more than that – as something that has actually created a certain amount of awareness, reputation, prominence, and so on in the marketplace (Keller 2008).

It is also important to understand the difference between a brand and a product. A product is anything we can offer to a market for attention, acquisition, use, or consumption that might satisfy a perceived need. A brand is however more than a product, because it can have dimensions that differentiate it in some way from the other products designed to satisfy the same need. These dimensions may be rationally and tangibly related to the product performance of the brand, or more symbolically, emotionally and intangibly- related to what the brand represents. It distinguishes a brand from its unbranded commodity counterpart and gives it equity. In other words, it is the sum total of consumers' perceptions and feelings about the product's attributes and how they perform, the brand name and what it stands for, and the company associated with the brand. As such, brands develop something that far more resembles a personality that transcends and supersedes the product's actual attributes.

Brands can create competitive advantages through product performance, by delivering quality products and reinforcing continual innovation. However, other brands can also create competitive advantages through non-product-related means. For example Chanel No. 5 and Coca-Cola have been leaders in their product categories for decades by understanding consumer motivations and desires and creating relevant and appealing images surrounding their products. Brands, especially strong ones, carry a number of different associations and there are many means to create them. The entire marketing program can contribute to consumers' understanding of the brand and how they value it. By creating perceived

differences among products through branding and by developing a loyal customer franchise, marketers create value that can translate to financial profits for the firm (Keller 2008).

However, most brands will experience a crisis situation sooner or later in their lifetime as it is almost impossible to avoid crisis situations in the long-term. The ability to understand a crisis' implications and be able to deal with them is therefore essential for effective marketing management.

2.2. Brand Crisis and Mass Media

There are different ways to interpret brand crisis. The media often plays a crucial role in spreading information to the masses, and thus the media itself becomes the primary source of both positive and negative information. No organization or brand can avoid crises for long, regardless as to whether it is product or service related. Prior research suggests that many crises are seen as smoldering phenomena directly associated with problems and risks eventually bursting into critical incidents (Yannopoulou et al. 2011). Crises initiate negative publicity and can result in long-lasting symbolic effects for a brand. Crises can also form a communication based phenomenon, in that they are associated with a projection of negative images in a public setting, resulting in a construction of social risk and its dissemination.

Another interesting study by Stockmyer (1996) suggested that there was no significant link between a company's crisis management actions and consumer purchase intention. In this study subjects felt more sympathy towards their favorite brands and firms that took action after crisis occurred. However that sympathy did not translate into an increased willingness to purchase from the affected company. The fact that sympathy was not significantly related to purchase intent is surprising, because sympathy is thought to be a key factor in regaining market share, and is a major element of the crisis management approach (Stockmyer 1996). The study also suggests that a company's crisis management action may not be a critical factor in an attempt to regain market share. This is an interesting finding as it implies that immediately after a crisis occurs, companies may have little control over the purchase intention, and thus it increases the importance of protecting purchase intention from downswings before a crisis situation happens. Finding and strengthening opportunities to do so can be an effective way to prepare for a crisis. In my study I approach one of these

opportunities as I hypothesize that a higher degree of emotional brand attachment will have a moderating effect on purchase intention in a brand crisis.

An important contribution to the definition of a crisis is the way consumers perceive the crisis and the factors that affect the consumer's attention towards negative events. If there are relatively few consumers that will elaborate on the crisis and eventually perceive it more comprehensively, there is a reason to believe that the crisis will not be such a great threat to a brand. However, if negative information about a crisis is perceived by a large number of consumers, it will become a greater and more serious threat to a brand. A central contribution to consumer's perception of a crisis is his\her distribution of attention in the crisis situation. The amount of attention used when the negative information is exposed will moderate the extent to which a consumer searches and treats the exposure (Bråthen 1999). According to Weiner (1985), a consumer's attention towards a crisis is dependent on his\her goals and values, prior knowledge about the brand and the consequences of the crisis.

The mass media, meanwhile, plays a crucial role in spreading and amplifying negative reviews in a crisis situation. In a mediated society, the construction of meaning and perceptions of risk are mediated by information and communication networks, which progressively dominate the disembedded social system. Moreover, individuals need mediated and simplified accounts of reality in order to understand the world they live in and conceptualize the risks associated with their lifestyle and decisions (Yannopoulou et al. 2011). In this respect, the communication of crises is critically influenced by mass media, in that it is currently the dominant source of information about problems related to the brand and the characteristics of the crisis.

The mass media's role is usually critical towards the brand or crisis given their tendency to construct dramatized accounts of crises and to amplify risks and fear as a part of the constant effort to gain viewers' attention. Under the media logic, brand crises are opportunities for the production of narrative accounts of organizational reality, hence the exaggerated production of negative publicity for the brand (Yannopoulou et al. 2011).

Negative publicity or reviews refers to publicity about a specific company's attributes that primarily calls into question a company's capability to provide perceived benefits to the consumer. Perceived negative publicity about companies is likely to gain consumer distrust, because publicity is considered a credible source of information. From an economic

perspective, negative publicity suggests uncertainties to some extent when consumers encounter companies for business transactions. As confidence is an important factor in the creation of relational trust, negative publicity can substantially threaten consumers' confidence and increase their risk perceptions when they make a judgment on a product or service. Specifically, during the initial stages of the business relationship when there has been no previous transaction between buyers and sellers, negative publicity signals the sellers' unreliability, thus endangering customers' trust. Consumers have needs for self-definition and can express themselves through developing socially identifying relationships with business companies with a particular image and identity. Negative publicity can be detrimental to the development of customers' affective identification, because of the negative impacts that underscore the identification attractiveness of the focal company. Specifically, as consumers identify with business companies based on their perceptions of the companies' defining characteristic or perceived identity, their affective identification towards the companies can be greatly reduced once they perceive negative publicity that devaluates the companies' identity (Chieh-Peng et al. 2011).

According to Bråthen (1999), expectations and prior knowledge about a brand also affect the way consumers perceive a crisis. The way consumers receive negative information will have an important effect on changes in attitudes, assumptions and future expectations. Information from consumers' own experience will have stronger effect than information that the consumers get from media or friends. This implies that the likelihood of negative reactions towards a brand will increase if the negative information is based on the consumers' own experience. The effect of negative information from friends, family or media will depend on the perceived credibility of the source.

Rather than focusing on the information source, this paper looks at the way consumers react to negative information about the brand received from the media and the implications related to behavioral responses. There can be different types of crisis such as product-related, employee management related and ethics-related. In this paper I chose specifically the employee management crises that recently happened to Apple.

In my master thesis I choose to define crisis as the negative information about a brand that was captured and disseminated by the media. Negative views portrayed by the media can have different strengths of affect, thus making the scale of the crisis bigger or smaller (Stewart 2003). In this research paper I chose to take an example of the negative press that

Apple received during January 2012. More specifically, the respondents who participated in the experiment were presented with a hypothetical scenario which was constructed based on article from the British newspaper "Daily Mail" (Duell 2012), which covers the most severe consequences of the crisis that happened to Apple, namely the extremely poor labor management from 2009 to 2011.

There are plenty of articles in the marketing field about how to deal with a crisis. In contrast, this paper focuses more on how the negative information given by the media is moderated by the consumer's emotional bond to a brand, and with purchase intention as a dependent variable.

2.3. Brand Attachment

Although consumers interact with thousands of products and brands in their lives, they develop an intense emotional attachment to only a small subset of these objects. The possibility that consumers can develop strong emotional attachments to brands is interesting as attachment theory in psychology suggests that the degree of emotional attachment to an object predicts the nature of an individual's interaction with the object. For example, individuals who are strongly attached to a person are more likely to be committed to, invest in, and make sacrifices for that person. Analogously, consumers' emotional attachments to a brand might predict their commitment to the brand (e.g., brand loyalty) and their willingness to make financial sacrifices in order to obtain it. Commitment is defined as the as the degree to which an individual views the relationship from a long-term perspective and has a willingness to stay with the relationship even when things are difficult (Thomson et al. 2005). A number of researchers view commitment as a measure of marketing effectiveness (Ahluwalia et al. 2000). In a marketing context a relevant indicator of commitment is the extent to which the individual remains loyal to the brand. As such, one might propose that a valid measure of emotional attachment should predict the consumer's commitment to a brand, such as their loyalty to that brand. The strength of emotional attachment to an object may also be associated with an investment in the object, that is, the willingness to forego immediate self-interest to promote a relationship (Thomson et al. 2005).

Brands can have personalities just like humans. Consumers tend to project their own personality on a brand that they are using and thus creating an emotional bond with them (Malär et al. 2011). This bond affects consumers purchase behavior enabling a brand to establish loyalty features and thus resulting in the consumer's repurchase of brand's products. In the recent marketing research, brand attachment has been gaining its value due to its strong emotional bond between the consumer's selves and a brand (Malär et al. 2011). Brand attachment also possesses marketing value since it helps consumers choose a brand from a set of available brands in a certain market as it is based on emotional bond between the consumers' self and the consumers' perceived representations of brand's personality. Consumers tend to make emotional bonds with brands and in some cases these bonds can be very strong, especially when the consumer's self is reflected in the brand image (Fournier 1998). Brand attachment is an emotional bond and thus I expect it to moderate the overall feeling towards a favorite brand in crisis which results in moderated consumer behavior, specifically for the purchase intention.

2.4. Brand Attachment and Positive Brand Attitude

In order to understand brand attachment and its implications it is important to differentiate brand attachment from positive brand attitude, because both of these psychological constructs share several similarities. Brand attachment and brand attitude reference a brand and both involve assessments of "strength" (i.e., of the bond or the attitude). Both assume that high levels of their respective constructs are based on substantial processing regarding the brand. Both have implications of marketing relevant consumption behaviors, such as brand purchase, repeat purchase, and willingness to recommend a brand (Whan Park et al. 2010). Moreover, Whan Park (2010) suggests that when consumers are strongly attached to a brand, they can also have a positive and strong attitude toward it. However, brand attachment and brand attitude strength are distinct constructs because they differ in several fundamental constructs.

First, the constructs differ in the nature of affect they incur. Whereas brand attachment implicates a "hot" affect from the brand's linkage to the self, strong brand attitudes reflect evaluations and a "cold affect" involving judgment about the brand. This difference in affect has important implications for brand behaviors, as the constructs differ in their motivational

power. Attachment, unlike attitude strength, has emotional implications that serve as more powerful drivers of behavior (Whan Park et al. 2010).

Second, although both constructs involve assessments of strength, the entity to which "strength" applies differs. With attachment, what is strong is the bond that connects the brand with the consumer's self. The bond becomes stronger as the connection between the brand and the consumer's self becomes closer as brand-related thoughts and memories become more prominent. With strong attitudes, what is strong is a person's judgment of the goodness or badness of the brand. Thus, with attachment, strength refers to that brand-self relationship. Such strength is often indicated by the connection between the self and the brand and the subjective sense of brand prominence. With strong attitudes, strength references the attitude object and the confidence with which it is held. Such strength is often indicated by objective indicators of attitude accessibility. Moreover, the factors that lead to variation in strength differ. With strong brand attitudes, strength varies not as a function of brand-self connections or the prominence of brand thoughts but rather as a function of the confidence with which the judgment is made.

Third, the constructs differ in their range of valence. Strong attitudes can range from positive to negative such that attitude strength is conceptualized on a bipolar valence dimension. Thus, attitudes range from strong-positive to weak-positive to weak-negative to strong-negative. Positive and negative ends anchor the attitude strength continuum, and behavior is linked with either end of that continuum. In other words, just as strong positive attitudes predict behavior (e.g., purchase) strong negative attitudes also predict behavior (e.g., purchase avoidance). On the other hand, attachments vary in strength from weak to strong. The opposite of strong attachment is weak attachment. What varies is not the valence of the attachment, but rather the strength of the bond connecting the brand with the consumer's self and its prominence.

Fourth, whereas attachment is largely time dependent, brand attitude needs not be. Specifically, attachment includes relationship-based working models (mental representations) that reflect prominent autobiographical and episodic memories pertaining to the self and the attachment object. Such models also include procedural knowledge about how the brand can regulate a person's emotions. Such self-brand links develop over time. In contrast, strong brand attitudes need not be time dependent. They are based on thoughtful processing (elaboration) and can be formed in a limited time. Because attachments develop over time

while strong brand attitudes need not, attachment may reflect a more advanced stage of relationship development (Whan Park et al. 2010).

From a managerial perspective, brand attachment more accurately predicts intentions to perform behaviors that use significant consumer resources (time, money and reputation). It is also a stronger predictor of actual consumer behaviors than brand attitude strength. McInnis and Whan Park (2010) suggest that these effects are observed in terms of consumer purchase behavior, brand purchase share (i.e., choice among directly competing brands), and need share (i.e., choice among brands targeting similar needs), even after controlling for consumer inertia (i.e., past behaviors) and other potential factors. Brand attachment serves also as the ultimate destination for customer brand-relationships.

Some of the strongest consumer-brand relationships occur when consumers identify with the companies that gratify one or more of their own perceived needs. Affective identification causes consumer to become psychologically attached to and care about the brand, which positively motivates their purchase intention. Since consumers identify with a brand rather than purely with its products or services, their purchase intention is likely to be immune to minor variations in product or service formulation (Chieh-Peng et al. 2011).

2.5. Attribution Theory and the Blame Attribution Model

Attribution theory plays a central role in explaining the way consumers perceive and attribute cause of a crisis (Bråthen 1999). The attribution theory is the explanation that is used most often to explain consumers' behavior related to brand in crisis. When a consumer hears about a crisis from the media, he\she will naturally question the possible causes for the crisis and the reasons for why the brand received the negative review. In order to answer these questions consumers will search the related information about the underlying causes of the crisis. Consumers' perception and understanding of a crisis will affect their feelings and behavior related to the focal brand (Folkes 1988). Consumers' process of searching for and understanding the causes of a crisis are the primary dimensions in the attribution theory. The findings show that attribution theory can contribute to predicting which feelings, attitudes or behavioral intentions a consumer has after perceiving a negative review (Folkes 1984). The study by Graham, Koletsky and Folkes (1987) also suggests that perceived controllability

(control over the problem and control over the solution) and stability (whether a crisis is relatively temporary or fairly permanent) influence purchase intention, specifically repurchase intention, with affective reactions to crisis as a mediator.

In order to understand consumers' diagnosis of a crisis, it is also important to understand not only when a consumer attributes a cause to different cause dimensions, but whether there are differences between consumer groups and the way they differ when it comes to cause attribution. Prior research on individual bias in cause attribution to a crisis shows that consumers do not always attribute cause to the "right" factor, and that there is a difference between different consumer groups with regards to who will get the blame for the crisis (Bråthen 1999). Taking this assumption into account I would like to clarify that I am going to present the attribution theory on a general level, without separating individual differences due to time and resource constraints of the master thesis.

2.5.1. Consumers Role in Crisis

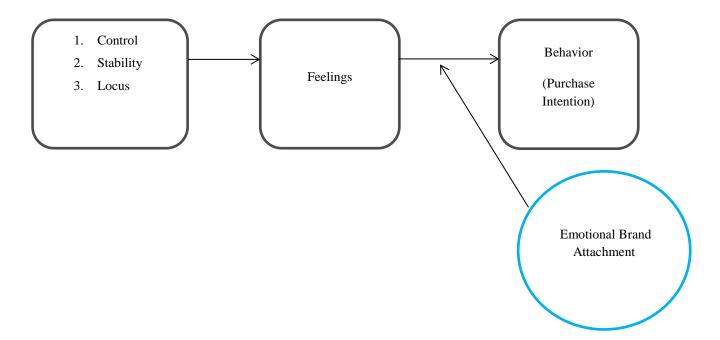
Weiner's theory was traditionally used to describe how an individual attributes his\her behavior. The author also specifies that it is important to separate whether an individual is a participant or an observer. Emotional consequences of an experience or behavior will be different, dependent on which role an individual plays in a situation. However, even though the theory was meant to study an individual's own behavior (own success\fiasco), it is also used in a participant-observer context (Folkes et al. 1987). In this paper I would thus use the consumer as an observer, which also means that the feelings that are created by an event are not directed towards the individual her\himself, but towards other parts involved or informed about the event (focal brand, it's partners etc.).

2.5.2. Blame Attribution Model

Figure 1 shows the underlying model for this paper. This model reflects attribution theory which explains how consumers attribute causation to the crises and which factors affect consumers' behavior as a result of this attribution. I have used a simplified model of the blame attribution due to the time and resource constraints of the master thesis. Thus, Figure 1

represents a simplified version of the original attribution model presented by Bråthen (1999), which combines all of the factors above and explains the way these affect consumers' feelings and behavior (the original extended model is presented in *the Appendix*). A new factor that is introduced in this study is emotional brand attachment (highlighted with blue circle). My hypothesis is that brand attachment will moderate the consumer's feelings in the decision making process, therefore causing the behavior, specifically purchase intention, to change.

Figure 1: Simplified Blame Attribution Model (Bråthen 1999)



The central dimensions in attribution theory that explain the attribution of the blame cause are control, stability and locus which affect consumer's feelings and further consumer's behavior. Those are the factors that were used primarily in order to construct the experiment and manipulate blame attribution to\from the focal brand (Apple).

2.5.3. Central Dimensions of Blame Attribution

The most successful categorization system of causal dimensions of blame attribution is one developed by Weiner (1985), who classified causes by their underlying causal properties or dimensions. Attribution theory views people as rational information processors whose actions

are influenced by their causal inferences. In the context of consumer complaining behavior, attribution predicts that the perceived reason for a brand crisis influences how a consumer responds to it (Folkes 1988).

1. Locus

Weiner (1985) mentions the differences between personal and external causation to an event which is based on Heider's theory of interpersonal relations (Heider 1958). The foundation for Weiner's theory comes from an attempt to understand a person's perception of success and failure, and whether the influence on behavior comes from personal or external relations. Weiner (1985) highlights the difference as internal and external locus. This seems to be reasonable to apply for crisis attribution as well. In this paper I chose to interpret locus as a matter of whether the cause of the crisis was located in the focal brand or in the external environment. The primary distinction here is whether the cause of crisis had something to do with the focal brand or whether it is a matter of external factors such as environment or market dynamics. For a crisis to be a threat for a brand the consumer has to attribute the causation of the crisis to the brand, otherwise the crisis will have a relatively small impact on a consumer's feelings, if he\she attributes external factors to a crisis. For example, a video camera that has been purchased over the internet might not work, because a manufacturer made a defective product (internal locus), or because the delivery company damaged it during transport (external locus).

In this paper's experiment I chose to hold locus as a constant variable in the internal state, via the construct of the scenarios. This choice is based on an assumption that, for a consumer, it plays little role which external factors he\she will attribute to a crisis (see *Affective and emotional reactions*).

2. Stability

Another causal property or dimension described by Weiner (1985) is stability. This dimension implies that causes can be relatively temporary (fluctuating over time) or fairly permanent (remaining stable over time). For example, a car might be poorly repaired because the mechanic made a mistake just this once, or because the mechanic is consistently incompetent.

Stability of the event refers to consumer's perception of how many times similar events occurred. This dimension is associated with consumer's memory of such events and his\her

expectations about which crisis situations the brand has been through earlier (Bråthen 1999). A consumer may associate a particular crisis as a part of a sequence of negative events and therefore establish an expectation that it may occur in the future as well (Folkes 1984). If this particular sequence of negative events happens not only with a particular brand, but also with other brands in a product category, it may have a moderating effect by moderating the consumer's attribution-related feelings. In the experiment that was conducted in this paper I chose to hold stability as a constant variable, namely describing the crisis as a one-time occurrence (unstable).

3. Control

A third dimension underlying causes of brand crisis is control. This dimension is the one which is the most relevant for the experiment conducted in this paper, as it is the manipulated variable, and reflects the focal brand's control over the crisis. The control dimension explains the way a consumer perceives whether the brand holds, or should have held, responsibility for the crisis. This dimension is inferred on the basis of earlier studies of locus and stability that failed to give a sufficient explanation of how the different emotions and consequences of behavior are distributed after a crisis has occurred. According to Weiner (1985) this dimension can be used in order to predict a consumer's behavior.

If a consumer perceives that a crisis is under a brand's control it can lead to his\her attribution of internal factors. To a certain degree it will mean that a consumer will perceive that a crisis is intentional. The worst outcome for a brand would be when consumer perceives that the company had control over the crisis but didn't do anything about it.

If a consumer perceives that a crisis is not under a brand's control it can lead to his\her attribution of external factors, thus attributing the blame away from the crisis. A crisis situation may even induce feelings of pity towards the focal brand if a consumer perceives that a brand is exposed to an event that it didn't have control over. The emotional and behavioral outcomes of such perceptions are discussed under section "Affective and emotional reactions".

In sum

The Weiner's contribution to the attribution theory focuses on the individual understanding of the causal relationships that attributes blame in a crisis. A cause of a crisis can be interpreted by a consumer as internal or external. At the same time a consumer will also search for information regarding to which degree this causal relationship is stable\unstable and under\or outside company's control. The outcome of the combination of these dimensions will help predict a consumer's motivation and emotions which in turn predicts the consumer's behavior.

2.5.4. Integrated Approach: Control, Locus, Stability

Several theories approach blame attribution such as the Folkes (1988) and Hewstone (1987). These are to some degree focused around the causes that an individual attributes blame to the crisis and the way the individual does it. Weiner (1985) expanded the research about blame contribution by showing that an individual does not only evaluate to which degree a cause is attributed to internal or external relations of the subject (locus), but also to which degree the subject has control over the situation and how much one can expect the effect to repeat itself in future (stability). The central contribution of the attribution theory for this study lies in the integrated understanding of the three variables, namely locus, control and stability. By integrating the three dimensions one can predict the induction of feelings which result as a consequence of the consumer's perception of a crisis. Before moving on to explaining which affective reactions a consumer will get as a result of his\her perception of the three dimensions I would like to address some limitations related to the Weiner's theory.

The first limitation to Weiner's theory is that it sometimes gives a poor prediction of a consumer's behavior after managing a crisis (Bråthen 1999). On the other hand it gives a good picture on which feelings a consumer gets by being exposed to a crisis. This may be due to the fact that the connection between consumer's attribution, feelings and behavior may be a more complicated relationship that the prior theories suggest (Hartel et al. 1998). According to Keller (1998), a consumer's feelings towards a product are also a part of his associative network. Even though it might be a challenge to predict consumer's behavior directly from Weiner's theory, the perception of a brand in crisis may change as a consequence of a such crisis, therefore affecting a consumer's behavior in future.

Another limitation to Weiner's contribution to the attribution theory is that it focuses too broadly on the information processing associated with the consumer's attribution of the blame and also how the consumer distributes causes, for example attributing a crisis to internal and

external relations for a business.

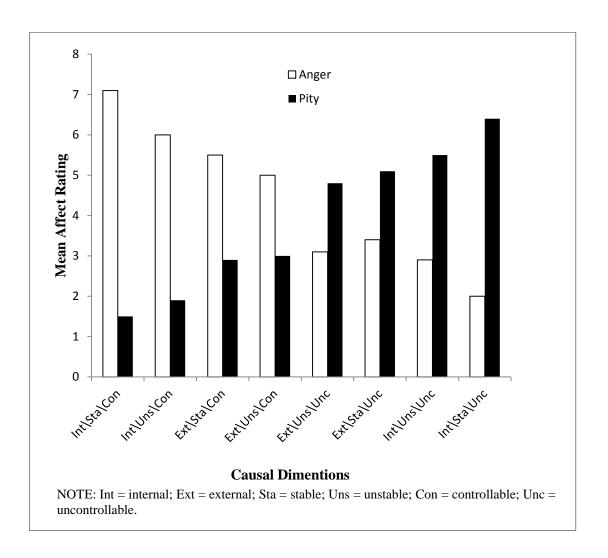
2.5.5. Affective and Emotional Reactions

As Weiner (1985) suggest in his theory, one can predict the consumer's emotional reactions towards success or fiasco. A part of these emotions are the consequences of consumer's own actions (self-esteem, pride, shame and blame). Even though Weiner connects these feelings with consumer's success or fiasco, there is a reason to believe that these would also be induced or affected in the context of a crisis. This especially concerns crisis situations where a consumer has a strong emotional bond to a brand (Fournier 1998). In some contexts consumers can have such a strong emotional bond to a brand that the crisis that affects the brand can also affect the consumer. In spite of these possible contexts I choose to disregard emotions such as self-esteem, pride, shame and blame in this paper. This paper focuses more on the emotions that a consumer might have as a consequence of actions of others (Apple or its partners). The study by Weiner, Graham and Chandler (1982) suggests two main emotions that may be induced by a crisis situation, namely anger and pity, as these emotions are closely connected to a consumer's perception of whether a brand had or should have had control over the crisis.

A crisis situation induces a feeling of pity if a consumer perceives that a brand is exposed to an event that it didn't have control over. The extent to which a crisis is caused by external or internal relations (locus) does not affect the induction of pity\anger, however it can magnify (reinforce) the feeling. The same thinking applies to perceived stability of the crisis according to Weiner (1985).

Anger is another emotion that consumers may get in a crisis situation if consumers perceive the situation as if the brand had control over the situation. Anger, as it is defined by Weiner (1985), is closely related to a consumer's attribution of responsibility. Just like pity, anger is primarily affected by the control dimension but is moderated by consumers' cause attribution towards stability and locus dimensions. *Figure 2* shows the ratings of pity and anger (emotional outcomes) as a function of the dimensional classification of the cause (Weiner et al. 1982).

Figure 2: Ratings of Pity and Anger as a Function of the Dimensional Classification of the Cause (Weiner et al. 1982)



2.5.6. Emotional Outcomes

According to Weiner (1985), another central point in attribution theory is the difference between the outcome-dependent emotions and attribution-related emotions. The outcome-dependent emotions are related to an individual's success or fiasco when he\she performs an action. For example, a consumer may experience negative emotions by eating food that didn't taste as good as expected (outcome-dependent emotions). This emotion can be magnified if the consumer attributes the cause of the poor food taste to the chef's cooking skills (attribution-related feelings). Therefore attribution will come as a consequence of these

outcome-related feelings. However, even though a consumer reacts negatively to an event, it doesn't mean that the aggregate emotional state will be negative. The attribution related emotions can moderate this aspect.

This study of consumers' emotions and feelings are essential for this paper as they affect their behavior (Bråthen 1999). The ability to understand and to some extent predict them provides marketing professionals a powerful tool to manage future campaigns with increased effectiveness. Since brand attachment is defined as an emotional bond between consumer and a brand, I expect it to be a moderator in the attribution model (*Figure 1*) and thus have a moderating effect on a consumer's emotions\feelings which in turn affects his\her behavior or purchase intention.

H0: Higher level of brand attachment will have no moderating effect on purchase intention in a blame scenario. (equal means)

H1: Higher level of brand attachment will have a moderating effect on purchase intention in a blame scenario.

3. Method

3.1. Data Collection and Sample

To assess the relationship between brand attachment and purchase intention in a brand crisis context I collected quantitative data, primary through conducting an experiment with a group of students from Norwegian School of Economics and Business Administration (NHH). 80 randomly assigned students were asked to fill out a questionnaire. Apple was chosen as a focal brand due to its high familiarity and accessibility in the Norwegian market. The observations were collected independently, meaning that the respondents that were asked to fill out the survey were approached on the same day (avoiding possibility of the respondents telling each other about this specific study). I also avoided asking groups of students to fill out the survey in order to ensure that the collected data not contaminated by informal discussions between participants.

In order to proceed with the analysis I started by handing out questionnaires. *Figure 3* shows a flowchart of the questionnaires describing the sequence I used to collect the data.

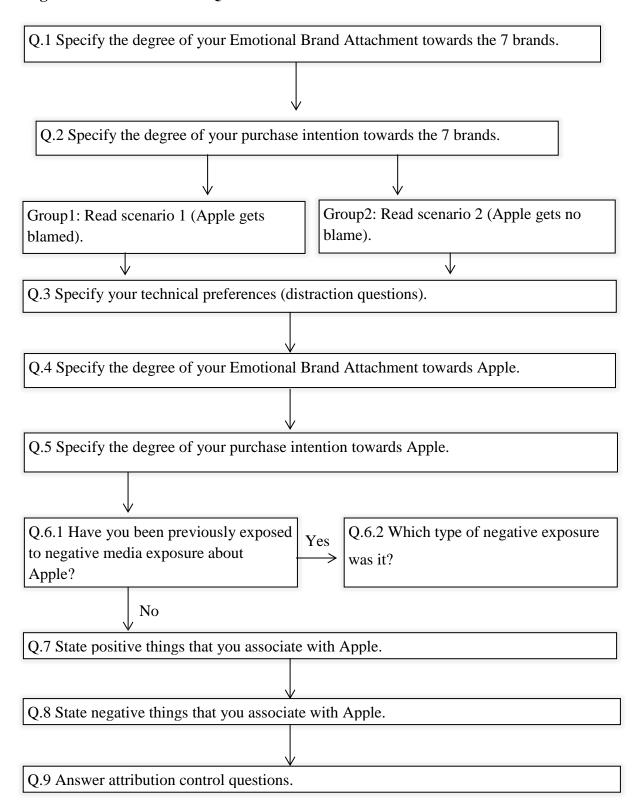
3.1.1. Constructing the Questionnaire

The questionnaires' flowchart is presented in *Figure 3*. The first question was aimed at measuring the initial degree of brand attachment by asking 80 randomly chosen business students to fill out a survey with seven different brands. I used a 6-item matrix structure of emotional brand attachment (EBA) scale (composed of 6 under-dimensions of EBA construct suggested by Thomson (2005)) to elicit the degree of brand attachment for the each individual brand (see questionnaire in *the Appendix*). However, in order to reduce focus on the Applespecific study and avoid biased results from the respondents, I decided to use a set of brands to spread the focus and create a feel of a general survey, not Apple-specific.

After measuring the degree of emotional brand attachment towards the seven brands in the matrix I collected data on the respondents' purchase intention towards the seven presented brands. This was done in question 2 of the questionnaire. I was mostly interested in measuring purchase intention towards Apple, so the rest of the brands were included to give a general feel of the questionnaire and draw attention away from the Apple brand.

Furthermore, I presented the respondents with a semi-fictional context (see *Scenarios*) based on the central dimensions of the theoretical framework from the attribution theory (Bråthen 1999) where the three main constructs of locus, control and stability are the factors responsible for the cause attribution to the crisis, specifically for this case blame attribution towards Apple. In order to keep the constructs in the study under control I have manipulated the three constructs to the extent where locus and stability are held as constants and control as a change variable, thus affecting the blame attribution towards\away from the focal brand (see *Scenarios*).

Figure 3: Flowchart of the Questionnaires



The first context presented to the first half of the sample explains Apple's crisis in China based on the real article from the "Daily Mail" (Duell 2012), which portrays the company as

if it had control over the situation but "didn't do anything about it". As a result, it hypothetically attributes the cause of the crisis directly to the brand, and therefore transfers the blame feeling towards Apple.

The second context presented to the second half of the sample portrays Apple as if the brand did not have any control over the crisis situation and therefore couldn't do anything about it, thus hypothetically attributing the cause of the crisis away from the focal brand. As a result it transfers the blame feeling towards other (external) factors, such as a rouge manufacturer.

After presenting the contexts to the two groups, I included a "filler" case about Apple's new iPad release (Bell 2012) and asked respondents to evaluate their preference of technical attributes of the new product (question 3 in the questionnaire). The filler case was designed to draw attention away from the crisis-specific case, in order to proceed with measurement of post-scenario degree of EBA and purchase intention, thus aiming to avoid possible bias related to crisis-specific setting that the respondents were exposed to (e.g., negativity bias).

After presenting the filler case I measured the post-scenario degree of EBA (question 4 in the questionnaire) and purchase decision (question 5 in the questionnaire) on the Likert scale once more, this time towards Apple only. This was done in order to create an opportunity to see if there is a difference in pre-and post-scenario purchase intention between the two groups and to control the changes in the degree of EBA.

An important aspect I had to consider while collecting the data was to identify the respondents who were familiar with the actual Apple case, but got the fictional story where the brand is portrayed as "innocent". Therefore after presenting the fictional context to the respondents I included a question whether the respondents were familiar with the existing Apple case (question 6 in the questionnaire) in order to see if there would be any biased perception of the context or not. If a respondent would be unfamiliar with the case it would generate honest results and the data would support the conclusions of this study. However, if a respondent would be familiar with the case, it might create confusion in a respondent and thus corrupt the results.

Questions 7 and 8 were aimed at giving the respondents an opportunity to state positive and negative things that the respondents associated with Apple. This was done in order to get an insight of the overall impression that a respondent had about Apple at the end of the survey and get a more qualitative view of this study.

Question 9 in the questionnaire was aimed at measurement control of the attribution variables. Blame\no-blame scenarios were constructed in a way that held internal locus and stability as constants. However, control was the variable that was manipulated in order to attribute blame to or from the Apple brand. For each question aimed at the measurement attribution variable I included an extra question in order to frame attribution in a more general manner (see full version of questionnaire in *the Appendix*).

Debriefing was included at the end of the questionnaire in order to ensure the respondents that the case and the questions presented in the survey are purely hypothetical and do not reveal any real events or information about Apple or its partners.

3.2.2. The Scenarios. Integrating Attribution Theory

The two scenarios presented in the experiment are also important factors to consider in my analysis as they contribute to a respondent's understanding of the blame context. These were based on an article about Apple and its supplier Foxconn working conditions in its factories in China, resulting in several employee deaths and injuries. In order to make the cases not incident specific I have manipulated information about the focal country from China to Taiwan and changed the original name of Apple's supplier partners, thus making the scenarios semi-fictional. A central challenge in the manipulation of the cases was the integration of the attribution theory and the three main blame attribution factors: locus, control and stability. The text from the article was manipulated to the extent where Apple's control over the situation, which resulted in a crisis, is a manipulated variable. Locus and stability were held as constants (internal locus and instability). The scenarios are presented below, in which the parts of the text which addresses the manipulated attribution factors are highlighted in bold. (Versions of the scenarios that were presented to the respondents are presented in *the Appendix*)

Scenario 1 (Apple had control over the crisis but didn't do anything about it (Text in bold is pure fiction and is manipulated)):

Working excessive overtime without a single day off during the week, living together in crowded dormitories and standing so long that their legs swell and they can hardly walk after a 24-hour shift. These are the lives some employees claim they live at **Apple's** manufacturing centers in Taiwan (internal locus), where the firm's suppliers allegedly wrongly dispose of hazardous waste and produce improper records in order to cover up their acts.

Almost 140 workers at a supplier in Taiwan were injured two years ago using a poisonous chemical to clean iPhone screens - and two explosions last year killed four people while injuring more than 75. The California tech giant had allegedly been alerted (control) to hazardous conditions inside the Kaohsiung plant in southwest Taiwan before the explosions at those plants, reported the New York Times. A Doxconn (Apple's supplier) employee jumped or fell from a block of flats after losing an iPhone prototype in 2009 - and 18 other workers apparently tried to commit suicide in two years, reported the New York Times. Suicide nets were installed to prevent workers from jumping to their deaths and Doxconn began providing better mental health treatment for its staff. The fatal Kaohsiung explosion came from an aluminum dust build up three weeks after the iPad came out. Despite Apple's probe (internal locus), seven months later there was another, non-fatal, explosion in Taipei.

A former Apple executive claimed that the company had knowledge (**control**) of labor abuses in some factories for four years - 'and they're still going on because the system works for us'.

'This type of malpractice has never occurred with Apple before (not stable). If Apple was warned and didn't act, that's reprehensible (control)' Massachusetts Institute of Technology work safety expert Nicholas Ashford told the New York Times. 'But what's morally repugnant in one country is accepted business practices in another, and companies take advantage of that,' the former U.S. Labor Department advisor added. Banners in the Chengdu plant gave a warning to the 120,000 staff: 'Work hard on the job today or work hard to find a job tomorrow'.

Scenario 2 (Apple did not have control over the crisis thus couldn't do anything about it. (Text in bold is pure fiction and is manipulated)):

Working excessive overtime without a single day off during the week, living together in crowded dormitories and standing so long that their legs swell and they can hardly walk after a 24-hour shift. These are the lives some employees claim they live at **Apple's** manufacturing centers (internal locus) in Taiwan, where the firm's suppliers allegedly wrongly dispose of hazardous waste and produce improper records.

Almost 140 workers at a supplier in Taiwan were injured two years ago using a poisonous chemical to clean iPhone screens - and two explosions last year killed four people while injuring more than 75. The California tech giant however didn't know about (no control) the hazardous conditions inside the Kaohsiung plant in southwest Taiwan before the explosions at those plants, reported the New York Times. A Doxconn (Apple's supplier) employee jumped or fell from a block of flats after losing an iPhone prototype in 2009 - and 18 other workers apparently tried to commit suicide in two years, reported the New York Times. Suicide nets were installed to prevent workers from jumping to their deaths and Doxconn began providing better mental health treatment for its staff. The fatal Kaohsiung explosion came from an aluminum dust build up three weeks after the iPad came out. Despite Apple's probe (internal locus), seven months on there was a further, non-fatal, explosion in Taipei. A former Apple executive claimed that the company did not know about (no control) labor abuses in some factories for four years - 'We are one of the global leaders, and have never experienced this type of negligence in the past (not stable). We will take all necessary actions in order to prevent this type of malpractices.

'This wasn't Apple's fault (no control), they chose the wrong agent in Taiwan that capitalized on the brand's equity in order to earn higher profits' Massachusetts Institute of Technology work safety expert Nicholas Ashford told the New York Times. 'But what's morally repugnant in one country is accepted business practices in another, and Apple was a victim of this malpractice,' the former U.S. Labor Department advisor added. Apple has taken a serious notice of this incident and apologized to the families of the workers. "We simply didn't know about this malpractice (no control) until it was exposed by the media, and we have already begun the process to inspect and review our supplier partners" – wrote the Apple's representative in California.

3.2. Measures

I pre-tested my questionnaire and further refined it on the basis of the comments of 5 business administration students from the Norwegian School of Economics and Business Administration, NHH.

I based the items used for my measurement scales on empirically validated scales from previous studies. All of the questions used in the questionnaire were specific and direct, asking the respondents to range their level of agreement on a series of statements presented in the survey, except questions 7 and 8. I measured the questionnaire's constructs with seven-point symmetric Likert scales anchored by "strongly disagree" and "strongly agree" with a midpoint in between (neutral evaluation). Questions 7 and 8 measured respondent's overall impression of Apple brand by asking a respondent in a general manner to state positive and negative things that he\she associated Apple with.

3.2.1. EBA Scale

Emotional brand attachment is an emotional bond between the consumer's self and brand's personality (Malär et al. 2011). The strength of emotional attachment to an object may also be associated with investment in the object, that is, the willingness to forego immediate self-interest to promote a relationship. Thomson (2005) suggested a six-item measurement scale that reflects and measures the degree of consumers' EBA to brands, consisting of 3 main dimensions: affection, connection and passion. Affection is characterized by affection and love, passion by delight, passion and captivation and connection itself. The scale for measuring the degree of consumers' EBA to brands that was used in the questionnaire is presented in *Table 1*.

This particular study uses this scale as a base for measuring the EBA construct. However, I checked the reliability of the scale and performed factor analysis on the six-items in order to make sure that the scale is appropriate for this particular experiment.

As Thomson (2005) suggested, for each of the three main dimensions (i.e., affection, connection and passion) that define emotional brand attachment I used the average values on the respective scale and then used the three average values as indicators for the higher-level

construct of emotional brand attachment (Malär et al. 2011). I used a matrix structure in the questionnaire in order to elicit the degree of brand attachment for the each individual brand to spread the focus and create a feel of a general questionnaire, not Apple-specific (see questionnaire in *the Appendix*).

Table 1: EBA scale

Identifying emotionally brand attached respondents – Likert (1-7) (Malär, Lucia et al., 2011):

Specify your level of agreement or disagreement on a symmetric 1-7 agree-disagree scale for following series of statements:

Affection:

- 1. My feelings toward Apple can be characterized by affection
- 2. My feelings toward Apple can be characterized by love

Connection:

1. My feelings toward Apple can be characterized by connection

Passion:

- 1. My feelings toward Apple can be characterized by passion
- 2. My feelings toward Apple can be characterized by delight
- 3. My feelings toward Apple can be characterized by captivation

3.2.2. Explaining the EBA Scale

The first dimension, labeled Affection, includes the items affection and love. Items in this dimension reflect the warm feelings a consumer has towards a brand. The second dimension, labeled Connection, included just the item connection. This item describes a consumer's feelings of being joined with a brand. The third dimension, labeled Passion, included the items passion, delight and captivation. This dimension reflects intense and aroused positive feelings toward a brand (Thomson et al. 2005).

3.2.3. Reliability of EBA Scale

In order to check the reliability of scale that measured emotional brand attachment I checked Cronbach alpha and further used factor analysis technique to assess the dimensionality. The idea behind factor analysis was to take a large set of variables and look for a way in which the data may be "reduced" or summarized using a smaller set of factors or components. I ran the data through SPSS and searched for factors among the inter-correlations of a set of variables.

According to Malær (2011), the emotional brand attachment scale has a good internal consistency, with Cronbach alpha coefficient reported of 0.83. The results of the reliability of the scale test in the current study showed that the Cronbach alpha coefficient for EBA was 0.935, as shown in *Table 2*, suggesting very good internal consistency reliability for the scale with this sample. The item-total statistics, *Table 3*, did not show any negative values, which suggests a high degree to which this items correlates with the total score.

Table 2: Reliability Statistics (EBA)

Cronbach's Alpha Based on
Cronbach's Alpha Standardized Items N of Items

.935 .936 6

Table 3: Item-Total Statistics (EBA)

| Item-Total Statistics | | | | | | | |
|-----------------------|---------------|-----------------|-----------------|-------------|---------------|--|--|
| | | | Corrected Item- | Squared | Cronbach's | | |
| | Scale Mean if | Scale Variance | Total | Multiple | Alpha if Item | | |
| | Item Deleted | if Item Deleted | Correlation | Correlation | Deleted | | |
| Affection Apple | 23.54 | 82.277 | .831 | .736 | .921 | | |
| Love Apple | 23.84 | 77.758 | .837 | .744 | .920 | | |
| Connection Apple | 23.64 | 82.386 | .744 | .632 | .931 | | |
| Passion Apple | 23.90 | 80.344 | .828 | .730 | .921 | | |
| Delight Apple | 23.36 | 80.538 | .830 | .710 | .921 | | |
| Captivation Apple | 23.60 | 78.952 | .788 | .647 | .926 | | |

3.2.4. Principal Component Analysis (PCA) of EBA Scale

The 6 items included in EBA scale suggested by Thomson (2005) were subjected to principal components analysis (PCA). Prior to performing PCA, the suitability of data for factor analysis was assessed. Inspection of the correlation matric revealed presence of many coefficients of 0.3 and above. The Kaiser-Meyer-Oklin value was 0.888, exceeding the recommended value of 0.6 (Pallant 2007) and Bartlett's Test of Sphericity reached statistical significance, supporting the factorability of the correlation matrix as shown in *Table 4*.

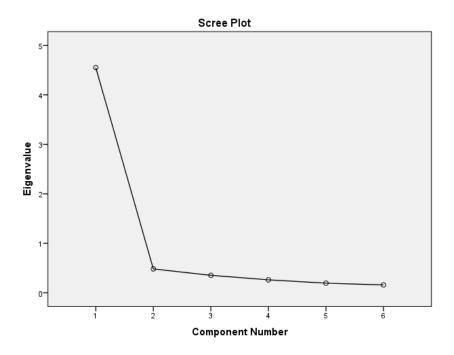
Table 4: KMO and Bartlett's Test (EBA PCA)

KMO and Bartlett's Test

| Kaiser-Meyer-Olkin Measure of Sampli | ng Adequacy. | .888 |
|--------------------------------------|--------------|------|
| Bartlett's Test of Sphericity | 386.575 | |
| | _ df | 15 |
| | Sig. | .000 |

Principal analysis revealed the presence of only one component with eigenvalue exceeding 1, explaining 76% of the variance respectively (see *Table 16* in *the Appendix*). An inspection of the screeplot, presented in *Figure 3*, revealed a clear break after the second component. All variables loaded strongly on only 1 component, suggesting that 1 factor solution is likely to be more appropriate. Thus for this paper specifically, I used an average score of the sum of all items used in the construct in order to measure the respondents' degree of EBA.





3.2.5. Purchase intention Scale

Pre and post-scenario purchase intention were measured by asking the respondents to range their level of agreement on Likert scale. I also used Likert 1-7 scale to find out whether the likelihood of purchase intention is higher or lower after presenting the respondents with a negative review from the media. The scale for measuring the degree of consumer's purchase intention that was used in the questionnaire is presented in *Table 5*.

Table 5: Measuring Purchase Intention

Specify your level of agreement or disagreement on a symmetric 1-7 agree-disagree scale for following series of statements:

Purchase intention:

- I will continue purchasing Apple products.

3.2.6. Measuring Attribution Control Questions

In order to ensure that the scenarios attributed the blame to the right objective, I compiled 6 questions aimed to control attribution dimensions, namely control, stability and locus and placed them and the end of the questionnaire. Each of the three dimensions was approached with a direct question and an extra question in order to reframe it in a more general manner. The respondents were asked to range their level of agreement on a series of 6 statements with seven-point symmetric Likert scales anchored by "strongly disagree" and "strongly agree".

For example, for testing the degree of external versus internal locus, I used following statements (questions for measuring control and stability are presented in *the Appendix*):

Specify your level of agreement or disagreement on a symmetric 1-7 disagree-agree scale for following series of statements (1- strongly disagree; 7-strongly agree):

- 1. The crisis in Taiwan was purely Apple's fault (and not its manufacturing partners). *Internal locus*.
- 2. Most companies operating in Taiwan (East Asia) do exploit their workers. *External locus*.

By controlling for the correct blame attribution I would ensure that respondents have understood the scenarios and the questions according to the intentions of this study.

I also included a debriefing at the end of the questionnaire in order to ensure the respondents that the scenarios and the questions presented in the surveys are purely hypothetical and do not reveal any real events or information about Apple or its partners.

4. Analysis

For the analysis in this study I divided respondents in two groups, namely control and experimental, as mentioned earlier in this paper, in order to compare their purchase intention and see if there are differences between the groups when experimental group is manipulated with the blame scenario.

I started with a manipulation test in order to see whether the blame was attributed correctly towards or away from the brand in the blame\no-blame groups. Further I ran ANOVA to check whether there are significant differences in the mean scores on the post-scenario purchase intention across the blame\no-blame groups (Model 1). After doing so, I tested the hypothesis to see whether higher degree of brand attachment has a moderating effect on purchase intention in the group that received blame scenario. I did this by running ANCOVA with purchase intention as a dependent variable, blame\no-blame groups as independent variable and the degree of emotional brand attachment (EBA) as a covariate (Model 2). ANCOVA analysis uses regression procedures to remove the variation in the dependent variable that is due to the covariate(s), and then performs the normal analysis of variance techniques on the adjusted scores (Pallant 2007). By removing the influence of these additional variables, ANCOVA can increase the power or sensitivity of the F-test (increasing the likelihood to detect differences between the groups) (Pallant 2007).

After getting the results from the first ANCOVA test, I added "Apple's perceived control over the crisis" as an extra covariate in the test in order to see whether the effect of treatment is being "washed out" while controlling for this variable (Model 3). In the interpretation of the coefficients I checked the level of significance and evaluated the size of the effect.

In order to extend the investigation of the relationship between Apple's perceived control over the crisis and the EBA construct I ran an additional ANCOVA test with "Control Industry" as the dependent variable.

4.1. Attribution Control

In order to check if the attribution variables- locus, stability and control were perceived correctly I included a series of questions at the end of the questionnaires. The descriptive statistics for the groups that read the blame and no-blame scenarios are presented in *Table 17* in the *Appendix*.

The scenarios were constructed in a way that locus was intended to be in internal state, the crisis was a one-time occurrence, thus unstable and Apple's perceived control over the crisis was manipulated between the groups. This outcome of the three attribution variables would hypothetically cause the induction of pity or anger which in its own turn would affect respondent's behavior (purchase intention) (see *Emotional outcomes*).

The questions about control attribution (whether if Apple had control over the situation or not) were the most important for this study, as Apple's perceived control over the crisis was the only manipulated variable in the experiment.

The mean for Control Apple showed a higher value for the group that have read blame scenario, suggesting that the blame group attributed blame more towards Apple to some extent, compared with the no-blame group. In order to check whether the difference in control attribution between blame\no-blame groups was significant or not I ran an independent samples T-test. The results are presented in the following section.

4.1.1. Manipulation Check

In order to assess the difference between the means of control attribution in the blame\noblame groups I ran independent samples T-test. I checked the Levene's test results which showed significance value greater than 0.05 suggesting that the variance of scores for the control attribution in the blame and no-blame groups is not statistically different, with 95% confidence interval as presented in *Table 7*.

After checking that the assumptions are fulfilled, I checked whether the control attribution has been changed after the respondents were exposed to blame scenario.

Independent samples T-test. Control Apple (Blame vs No-blame Group)

The group that received blame scenario showed significantly different control attribution compared with the group that received no-blame scenario, attributing higher degree of control in the blame group and lower degree of control in the no-blame group as presented in *Table 7* (Sig 2-tailored of 0,002>0,05). The mean of Control Apple in the no-blame group is 3.23 and 4.31 in the blame group as presented in *Table 6*.

Table 6: Manipulation Check (Control Apple). Group Statistics

| Group Statistics | | | | | | | |
|------------------|----------------------|----|------|----------------|-----------------|--|--|
| | 1-Blame; 0- No-blame | N | Mean | Std. Deviation | Std. Error Mean | | |
| Cantual Annia | 1 | 39 | 4.31 | 1.524 | .244 | | |
| Control Apple | 0 | 39 | 3.23 | 1.512 | .242 | | |

Table 7: Manipulation Check (Control Apple). Independent samples T-Test

Independent samples Test

| | | | | nucpen | iciit saii | ipies res | | | | |
|---------|---------------|----------|----------|--------|------------|-----------|---------------|------------|---------|----------|
| | | Levene's | Test for | | | t-tes | t for Equalit | y of Means | | |
| | | Equal | ity of | | | | | | | |
| | | Varia | inces | | | | | | | |
| | | F | Sig. | t | df | Sig. (2- | Mean | Std. Error | 95% Co | nfidence |
| | | | | | | tailed) | Difference | Difference | Interva | l of the |
| | | | | | | | | | Diffe | rence |
| | | | | | | | | | Lower | Upper |
| | Equal | | | | | | | | | |
| | variances | .202 | .655 | 3.132 | 76 | .002 | 1.077 | .344 | .392 | 1.762 |
| Control | assumed | | | | | | | | | |
| Apple | Equal | | | | | | | | | |
| | variances not | | | 3.132 | 75.995 | .002 | 1.077 | .344 | .392 | 1.762 |
| | assumed | | | | | | | | | |

Independent samples T-test. Locus and stability, Apple (Blame vs No-blame Group)

I also ran an independent samples T-test with the other two attribution factors, namely locus and stability. The group that received blame scenario showed no significant difference in locus or stability attribution compared with the group that received no-blame scenario (Stability: Sig 2-tailored of 0,259>0,05); (Locus: Sig 2-tailored of 0,513>0,05). Group statistics and output tables are presented in *Table 18* in *the Appendix*.

The mean of stability in the no-blame group is 2.92 and 3.47 in the blame group, suggesting that the respondents perceived the Apple crisis as a one-time occurrence (unstable) as expected.

The mean of internal locus in the no-blame group is 3.36 and 3.55 in the blame group, suggesting that the respondents did not demonstrate a strong locus-attribution to Apple. This is an interesting finding because locus was intended to be in the internal state (locating the cause of the crisis in the focal brand, namely Apple). This finding however does not affect the induction of feelings that respondents would get while reading the scenario. According to Weiner (1985), the extent to which a crisis is caused by external or internal relations (locus) does not affect induction of pity\anger, however it can magnify (reinforce) the feeling.

After completing manipulation check I proceeded to the analysis of purchase intention which is presented in the next section.

4.2. ANOVA Analysis of Purchase intention (Model 1)

In order to check whether there are significant differences in the mean scores on the post-scenario purchase intention between the blame\no-blame groups I ran one-way ANOVA using the data from the surveys. Emotional brand attachment was not included in this test. Levene's test for homogeneity of variances showed the significance value of 0.243 which is greater than 0.05 and thus indicates that I have not violated the assumption of homogeneity of variance, as presented in *Table 19* in *the Appendix*.

Table 8: ANOVA Analysis of Purchase Intention

Post-scenario purchase Intention Blame\ No-blame

| | Sum of Squares | df | Mean Square | F | Sig. |
|----------------|----------------|----|-------------|------|------|
| Between Groups | 3.200 | 1 | 3.200 | .633 | .429 |
| Within Groups | 394.600 | 78 | 5.059 | | |
| Total | 397.800 | 79 | | | |

Results

ANOVA's results for post-scenario purchase intention in blame\no-blame groups showed that there is no significant difference between the groups as Sig. value is equal 0.429 and is greater than 0.05, as presented in *Table 8*. The mean of post-purchase intention in the no-blame group is 5.25, and 4.85 in the blame group (see *Table 19* in *the Appendix*).

In order to proceed with my study I added EBA as a covariate in Model 1, as I suspected that the degree of the respondent's EBA could have explained some of the changes in the purchase intention.

4.3. ANCOVA Analysis of Purchase intention, with EBA as a Covariate (Model 2)

Furthermore I checked what happens with the experimental treatment when I control for the variance in EBA. In order to do so I ran ANCOVA with EBA as a covariate. In the questionnaires the degree of EBA was measured twice, namely before and after presenting the scenarios. In my study I'm interested in finding whether the initial degree of attachment has an impact on post-scenario purchase intention, thus I used pre-scenario degree of EBA as a covariate and a measurement of respondent's degree of attachment.

Linear relationships

After getting ANOVA results I have introduced the covariate, namely EBA, by adding it into the ANCOVA test and further compared the purchase intention after the scenarios were presented.

In order to do so I made sure that the assumptions for the ANCOVA analysis are fulfilled (Pallant 2007). The covariate (EBA) was measured before the experimental treatment, as it is the first question of the survey.

The scatter plot presented in the *Figure 5* shows a linear relationship between the dependent variable post-scenario purchase intention and EBA in blame\no-blame groups. From the graph one can see that in the blame group the higher degree of EBA corresponds to the higher level of purchase intention. In the no-blame group the slope is somewhat flatter and may suggest that purchase intention is less dependent on the variation in EBA.

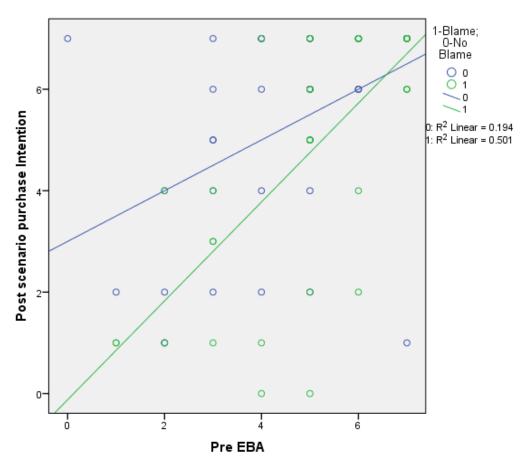


Figure 5: Linear Relationship Between Post-Scenario Purchase Intention and EBA in Blame and No-blame Groups

Homogeneity of regression slopes

The assumption of homogeneity of regression slopes has been tested statistically, by checking whether there is a statistically significant interaction between the post-scenario purchase intention and pre-scenario EBA scores. The test showed the significance level of the interaction term (Group * Pre EBA) to be 0,042 (<0,05), which may suggest that there is interaction between the covariate and the experimental treatment (see *Table 20* in *the Appendix*).

The Levene's Test of Equality of Error Variances showed that the assumption of equality of variance is also fulfilled as the Sig. value of 0.969 is greater than 0.05 (see *Table 20* in *the Appendix*).

In the groups

The interception point with y-axis (post-purchase intention), in the no-blame group, was higher compared to the blame group, which suggests that the respondents with very low degree or no EBA towards Apple were still willing to purchase Apple after reading the presented scenario. The y-intercept for the blame group was much lower, which suggests that the respondents with low degree of brand attachment had lower purchase intention compared with the no-blame group.

Between the groups

Another interesting finding is that respondents with very low degree of EBA showed lower purchase intention in the blame group compared to the no-blame group, however respondents with high degree of EBA showed small or no difference in purchase intention between the groups at all. This finding is important for this study as it suggests that emotional brand attachment has a moderating effect on purchase intention in brand crisis.

ANCOVA results

The results of ANCOVA analysis for the blame\no-blame groups showed that there is a significant difference in post-scenario purchase intention between the groups with prescenario degree of EBA as a covariate as presented in *Table 9*. Sig. value of 0,049 for Groups (1-Blame; 0-No-blame) is lower than 0.05, which suggests that the difference is significant. The effect of treatment has been increased (p=0.049) compared with the results in the ANOVA analysis (Model 1) (p=0.429), suggesting that EBA explains some of the variation in the control group.

In ANOVA, the mean of post-purchase intention in the no-blame group is 5.25, and 4.85 in the blame group. By adding covariate into the Model 1 the estimated marginal mean of post-purchase intention in the no-blame group increased to 5.468, and decreased to 4.632 in the blame group respectively (as presented in *Table 10*), thus increasing the difference in the mean scores, as expected, given the significant treatment effect in the ANCOVA model.

Table 9: ANCOVA. Tests of Between-Subjects Effects. Dependent Variable- Purchase Intention, Independent Variable- Treatment (Blame\No-blame Groups), Covariate – EBA

Tests of Between-Subjects Effects

Dependent Variable: Post-scenario purchase Intention

| Source | Type III Sum of | df | Mean Square | F | Sig. | Partial Eta |
|-----------------|----------------------|----|-------------|--------|------|-------------|
| | Squares | | | | | Squared |
| Corrected Model | 135.326 ^a | 2 | 67.663 | 19.850 | .000 | .340 |
| Intercept | 23.151 | 1 | 23.151 | 6.792 | .011 | .081 |
| EBA | 132.126 | 1 | 132.126 | 38.761 | .000 | .335 |
| Groups | 13.604 | 1 | 13.604 | 3.991 | .049 | .049 |
| Error | 262.474 | 77 | 3.409 | | | |
| Total | 2438.000 | 80 | | | | |
| Corrected Total | 397.800 | 79 | | | | |

a. R Squared = .340 (Adjusted R Squared = .323)

Table 10: ANCOVA. Mean and Std. Error in Blame and No-blame Groups

1-Blame; 0-No-blame

Dependent Variable: Post-scenario purchase Intention

| 1-Blame; 0-No-blame | Mean | Std. Error | 95% Confidence Interval | | |
|---------------------|--------------------|------------|-------------------------|-------|--|
| | | | Lower Bound Upper Bound | | |
| 0 | 5.468 ^a | .294 | 4.883 | 6.054 | |
| 1 | 4.632 ^a | .294 | 4.046 5.217 | | |

a. Covariates appearing in the model are evaluated at the following values: EBA = 4.80.

In sum

A one-way between groups analysis of covariance was conducted to compare the impact of blame\no-blame scenarios on post-scenario purchase intention with EBA as a covariate. The independent variable was the type of intervention (blame, no-blame scenario), and the dependent variable consisted of scores on the purchase intention test administered after the scenario was presented. Participant's scores on the pre-scenario degree of EBA were used as the covariate in this analysis.

Preliminary checks were conducted to ensure that there was no violation of the assumptions of linearity, homogeneity of variances, homogeneity of the regression slopes, and reliable

measurement of the covariate. After adding covariate into Model 1 and thus adjusting EBA scores, there was a significant difference between the two groups (blame\no-blame) on post-scenario purchase intention scores, F(1, 77) = 3.991, p = 0.049, adjusted R squared = 0.323.

The effect size

The adjusted R squared value in the ANCOVA analysis is 0.323 which indicates how much of the variance in the post-scenario purchase intention is explained by the model. In this case I am able to explain 32.3 per cent of the variance, however the results from ANOVA anlysis showed eta squared value of 0.008, explaining only 0.8 per cent of the variance respectively (calculated by dividing sum of squares between-groups (3200) by total sum of squares (397800)). This suggests that the variance in the dependent variable was more explained by adding covariate (EBA) into the model, and that EBA is mainly responsible for explaining purchase intention.

Influence of the covariate

My findings also show that the covariate (EBA) has a significant relationship with the dependent variable (post-scenario purchase intention), while controlling for independent variable (blame\no-blame groups) as the Sig. value is 0.000. The covariete explained more (33,5%) of variance in post-scenario purchase intention than the treatment (4.9%).

Based on the results from ANCOVA I reject the 0 Hypothesis:

Higher level of brand attachment will have no moderating effect on purchase intention in blame scenario. (equal means)

4.4. ANCOVA Analysis of Purchase Intention, with EBA and Control Apple as Covariates (Model 3)

Since Apple's perceived control over the crisis is the main variable that attributed blame towards or against the focal brand, I expected the difference in post-scenario purchase intention to disappear when I statistically removed the influence of Apple's control from Model 2. Thus, in order to proceed with my analysis I added an additional covariate "Control Apple" into the Model 2, to test whether the effect of treatment is being "washed out" while controlling for this variable.

I ran ANCOVA once more in order to see what happens with post-scenario purchase intention between the blame\no-blame groups when I remove the influence of EBA and control at the same time.

The Levene's Test of Equality of Error Variances showed that the assumption of equality of variance is also fulfilled as the Sig. value of 0.721 is greater than 0.05 (see *Table 21* in *the Appendix*).

Results

By adding covariate "Control Apple" into the Model 2, and thus statistically controlling for two covariates "Control Apple" and EBA at the same time, the difference between the groups became insignificant as Sig. value of 0.123>0.05, as presented in *Table 11*. This is an interesting finding because by removing the influence of Apple's perceived control over the situation from Model 2 the difference in the scores of the dependent variable (post-scenario purchase intention) becomes insignificant. The results suggest that Apples perceived control over the situation is an important factor in explaining blame attribution towards Apple. It was also the only manipulated factor in this study, hence the results of this particular test increases credibility of my manipulation.

By adding "Control Apple" as a covariate into the model the estimated marginal mean of post-purchase intention in the no-blame group showed a value of 5.441, and 4.739 in the blame group respectively, thus decreasing the difference in the mean scores compared with Model 2 (see *Table 21* in *the Appendix*).

Table 11: ANCOVA Tests of Between-Subjects Effects. Dependent Variable- Purchase Intention, Independent Variable- Treatment (Blame\No-blame Groups), Covariates-EBA, Control Apple

Tests of Between-Subjects Effects

Dependent Variable: Post-scenario purchase Intention

| Source | Type III Sum of Squares | df | Mean Square | F | Sig. | Partial Eta Squared |
|-----------------|-------------------------|----|-------------|--------|------|------------------------|
| Corrected Model | 122.852 ^a | 3 | 40.951 | 12.343 | .000 | .334 |
| Intercept | 14.349 | 1 | 14.349 | 4.325 | .041 | .055 |
| EBA | 118.378 | 1 | 118.378 | 35.679 | .000 | .325 |
| Control Apple | .050 | 1 | .050 | .015 | .903 | .000 |
| Groups | 8.057 | 1 | 8.057 | 2.428 | .123 | .032 |
| Error | 245.519 | 74 | 3.318 | | | |
| Total | 2389.000 | 78 | | | | |
| Corrected Total | 368.372 | 77 | | | | |

a. R Squared = .334 (**Adjusted R Squared = .306**)

The effect size

By adding "control" as a covariate in the Model 2 the adjusted R squared showed to be 0.306. In this case I am able to explain 30.6 per cent of the variance in the dependent variable.

4.5. ANCOVA with Control Industry as Dependent Variable, Group (Treatment) as Independent Variable, EBA as Covariate.

In order to extend the investigation of the relationship between Apple's perceived control over the crisis and the EBA construct I ran ANCOVA with "Control Industry" as the dependent variable, blame\no-blame groups as the independent variable and EBA as a covariate. "Control Industry" refers to the question whether most companies that are operating in East Asia have full control over their operations and employee management. I expected the respondents with high degree of EBA to attribute high value to "Industry Control" in the blame and no-blame groups (therefore attributing control over the crisis away from Apple and towards industry).

Homogeneity of regression slopes

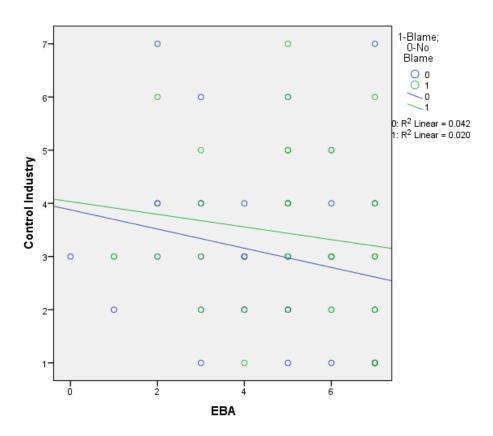
The test showed the significance level of the interaction term (Groups * EBA) to be 0,759 (>0,05), which suggests that there is no interaction between the covariate and the experimental treatment (see *Table 22* in *the Appendix*).

The Levene's Test of Equality of Error Variances showed that the assumption of equality of variance is also fulfilled as the Sig. value of 0.766 is greater than 0.05 (see *Table 22* in *the Appendix*).

Results

The results of this particular test didn't meet my expectations as the respondents with high degree of EBA attributed lower value to "Control Industry" compared with the respondents with low degree of EBA both in blame and no-blame groups as presented in *Figure 6*.





The results showed that by controlling for EBA as a covariate the difference in the mean scores of "Control Industry" between blame\no-blame groups is insignificant as Sig. value of 0.212 > 0.05, the effect size is also quiet small as adjusted R squared is equal 0.017 (1.7%), as presented in *Table 13*. The mean of "Control Industry" in the no-blame group is 3.025 and 3.474 in the blame group, suggesting that most of the respondents attributed low degree of "Industry Control" as presented in *Table 12*. Influence of the covariate (EBA) showed to be insignificant as Sig. value of 0.132 > 0.05.

Table 12: ANCOVA. Estimated Marginal Means

1-Blame; 0- No-blame

Dependent Variable: Control Industry

| 1-Blame; 0- No-blame | Mean | Std. Error | 95% Confidence Interval | | |
|----------------------|--------------------|------------|-------------------------|-------|--|
| | | | Lower Bound Upper Bou | | |
| 0 | 3.025 ^a | .248 | 2.531 | 3.520 | |
| 1 | 3.474 ^a | .252 | 2.973 | 3.975 | |

a. Covariates appearing in the model are evaluated at the following values: EBA = 4.78.

Table 133: ANCOVA. Tests of Between-Subjects Effects. Dependent Variable- Control Industry, Independent Variable- Treatment (Blame\No-blame Groups), Covariate- EBA

Tests of Between-Subjects Effects

Dependent Variable: Control Industry

| Source | Type III Sum of | df | Mean Square | F | Sig. | Partial Eta |
|-----------------|-----------------|----|-------------|--------|------|-------------|
| | Squares | | | | | Squared |
| Corrected Model | 7.760^{a} | 2 | 3.880 | 1.645 | .200 | .043 |
| Intercept | 146.431 | 1 | 146.431 | 62.078 | .000 | .456 |
| EBA | 5.480 | 1 | 5.480 | 2.323 | .132 | .030 |
| Groups | 3.734 | 1 | 3.734 | 1.583 | .212 | .021 |
| Error | 174.552 | 74 | 2.359 | | | |
| Total | 994.000 | 77 | | | | |
| Corrected Total | 182.312 | 76 | | | | |

a. R Squared = .043 (**Adjusted R Squared = .017**)

4.6. Managerial Implications

The findings of this study show that purchase intention is moderated by the degree of emotional brand attachment when a focal brand is in crisis. The respondents that scored high on EBA scale showed high purchase intention both in blame and no-blame groups after reading the scenarios. However, the respondents with a low degree of EBA showed significantly lower purchase intention when presented with the scenario where Apple gets the blame. By adding EBA as a covariate into the Model 1 the explanatory power increased from 0.8 to 32.3 percent which suggests that the variance in purchase intention was more explained by adding covariate (EBA) into the model.

By understanding both antecedents of blame attribution and moderators of purchase intention in brand crisis, management can learn to tailor a variety of corporate policies or programs to deal with crisis situation in more effective way. One of the most important factors of blame attribution in crisis is a brand's control over the situation as it induces feelings of anger or sympathy towards the focal brand. This makes media crucial in informing the masses on the underlying facts about crises, and implies that managers should always monitor news reports, especially if the main topic is control over the crisis situation. If a brand did not have control

over the crisis it may be a good strategy to report it immediately, in order to avoid possible misunderstandings.

Given the fact that emotionally attached customers do not change their purchase intention significantly after the crisis, it may contribute to a more effective diagnostics of the size of the crisis and its future effects on the purchase intention. For example, many firms get the data about their brands and market-share statistics through IT-companies that specialize in market research. If such an IT-company could gather data on the size of the emotionally attached consumer segment, then it could potentially estimate its percentage of a total customer group. This information could be further used to estimate the impact of the crisis and the reduction in sales when crisis situation occurs, given that emotionally attached customers do not change their purchase intention significantly. Thus the resources that are needed to deal with crisis situation can be allocated with more precision, resulting in a more effective crisis management. In other words an opportunity to segment customers with high degree of brand attachment towards a focal brand, will improve brand's opportunity to estimate the consequences of the crisis, thus making it possible to effectively distribute resources to the segment where purchase intention is significantly reduced after the crisis occurred.

The results of my study suggest that emotional brand attachment is a moderator of purchase intention in brand crisis, which also naturally implies that if companies will manage to enhance the strength of consumers' emotional attachments to brands they could potentially protect purchase intention from downswings when crisis occurs. This implication raises the question of how marketers would find ways to develop strong emotional brand attachments among their consumers, as it can lead to stronger brand loyalty, brand performance (Thomson et al. 2005) and as suggested in this study moderate purchase intention in brand crisis. In fact increasing the level of emotional brand attachment among customers would also maximize and better sustain the financial success of the brands loyalty programmes and even may help the brand to become a category leader (Hallberg 2004). Malær (2011) suggest four important issues for managers to consider when trying to increase consumers' emotional brand attachment: (1) incorporating consumers' selves into branding considerations, (2) focusing on authentic branding (building brand personality), (3) reconsidering aspirational branding, and (4) individualizing their brand efforts. Specific prescriptions for building the level of brand attachment are however beyond the scope of this paper.

As suggested by Dahlen & Lange (2006), brand crisis is contagious and affects not only the focal brand but also product category in general and has specific effects on competing brands. Recent real-life examples, such as the Enron-Arthur Andersen crisis and the Super Size Me attack on McDonald's, provide evidence of how negative brand publicity may in fact result in remarkable increase in whole category risk, thus resulting in changes of practice of entire industries. The results of the study by Dahlen & Lange (2006) show that similar brands suffer from a brand crisis, whereas dissimilar brands could actually gain from it. The authors also suggest that negative press and word-of-mouth about the competing brands can have severe effects on brand perception and brand performance of the focal brand (Dahlén and Lange 2006). According to Chirani, Taleghani & Moghadam (2012) brand performance consists of two parts including the brand market performance and brand profitability performance. The authors suggest that the brand profitability performance is an index of the financial share of a brand in relation with the retailing profits and is evaluated using the profit and the margin of profit while the brand market performance considers the market demands and evaluates the indices such as sale levels and market share. Despite the differences, both brand profitability and brand market performances are related to purchase intention as it is one of the primary sources of profit. The findings of my study can imply that if a brand manages to achieve high level of brand attachment among its customer base and thus moderate their purchase intention in crisis, it may hypothetically protect purchase intention of its customer segment when crisis occurs with other brands in the category as well. However, more research is needed to study the spillover effects of category crisis and crisis with the competing brands involved.

4.7. Improvements for Future Research

As for the issue of future research, this particular study wasn't designed to examine differences in level of brand attachment between functional, symbolic or experiential brands. This issue concerns the type of brands and purchase intention which are most relevant to emotional attachment. For example one could expect to find higher emotional brand attachment scores for symbolic brands as the term "attachment" implies a connection with the self, and symbolic products are valued for what they express about the self (Thomson et al. 2005). A brand with a symbolic concept is designed to associate the individual with a desired group, role or self-image (Whan Park, C. et al. 1986). In my study I asked the respondents to

state positive and negative things that the respondents associated with Apple. The most frequent positive associations were: innovative, simple, high status, quality and great design. The most frequent negative associations were: overpriced, poor customer service, employee abuse, incompatible with other brands in the market and low degree of social responsibility. Although this paper did not investigate the concept of self-congruence (a fit between the consumer's self and the brand personality or image (Malär et al. 2011)) most of the positive associations are related to describing persons' self-identity, which may suggest that Apple would score high on symbolic dimension. Future research is needed to determine whether the type of brand is relevant for the level of emotional brand attachment that consumers develop. It would be also interesting to examine the differences in the level of emotional brand attachment between "high involvement" and "low involvement" products and its further effect on purchase intention when a brand is in crisis.

In this paper I also chose to use "consumer as an observer" perspective, meaning that the respondents read about the crisis, but didn't participate in it themselves. According to Weiner (1982) it is important to separate whether an individual is a participant or an observer. Emotional consequences of an experience or behavior will be different, dependent on which role does an individual play in a situation. Therefore additional research is needed to examine whether the difference in consumers' role in crises would have an effect on change in purchase intention, and if emotional brand attachment could moderate such effect.

Lastly, I would like to mention that the emphasis of this study was on reaching understanding rather than generalization. As, mentioned in *Limitations* part of this paper I used a relatively homogeneous population of respondents (students from NHH). Thus an extension to this study could examine a larger number of participants with more diverse characteristics and background, thus examining the generalizability of my results to populations that are more heterogeneous. This would contribute to a more holistic understanding of this topic.

5. Conclusion

Guided by Bråthen's theoretical model this study tested and found a significant moderating effect of brand attachment on purchase intention in brand crisis. Firstly, theoretical framework was presented in order to explain the most relevant constructs for this paper and the directions of the main model.

Secondly, the two questionnaires were designed specifically for this study in order to collect data for the experiment. The two crisis scenarios that were used in the questionnaires were created using a real-life example of Apple's recent crisis in China. The blame attribution dimensions were integrated into scenarios, thus attributing blame towards or away from the Apple brand. The reliability of scales used in data collection was statistically tested by controlling for reliability statistics and further using factor analysis technique to assess the dimensionality.

Further, manipulation test was conducted in order to check if the attribution dimensions, namely locus, stability and control were perceived correctly. The results of the experiment, presented in the analysis, met my expectations, except for the insignificant moderating effect of brand attachment on perceived control over employee management by industry and the nature of relationship between the two variables.

The findings showed that emotional brand attachment affects purchase intention in brand crisis to the extent that when the degree of attachment is low, the respondents showed significantly lower purchase intention towards Apple in the group that was presented with the scenario where Apple gets the blame, compared with the group that was presented with the scenario where Apple didn't get the blame. However when the degree of brand attachment was high the difference between the groups became insignificant.

Finally, the results were followed up by managerial implications, suggestions for future research and limitations of my findings.

6. Limitations

6.1. Bias

The scenarios that were used in this experiment were constructed based on a recent case of a negative publicity, where Apple was exposed for its poor employee management, in order to collect data that are based on real events. The text presented in the scenarios was manipulated by changing the country of origin, Apples suppliers and factors that contribute to blame attribution.

An important aspect I had to consider while collecting the data was to identify the respondents who were familiar with the Apple case from before. If a respondent would be unfamiliar with the case it would generate honest results and the data would support the conclusions of this study; however if a respondent would be familiar with the case it might yield biased results. This is a limitation to my study and thus I included a question in the survey about whether the respondents have been previously exposed to negative exposure about Apple. The results are as following.

In the group that received no-blame scenario there were 12 respondents (30% of the total in this group) that stated that they are familiar with the poor employee management issues, which are related to Foxcon crisis; the other 28 respondents were unfamiliar with the case.

In the group that received blame scenario there were 17 respondents (42,5% of the total in this group) that stated that they are familiar with the poor employee management issues, related to Foxcon crisis; the other 23 respondents were unfamiliar with such issues.

In total, 29 out of 80, or 36.3 % of the respondents were previously exposed to negative exposure about Apple of which 23 respondents have heard a "similar story" as presented in *Table 14*.

Table 14: Frequency Statistics. Bias

Bias. Have you previously been exposed to negative media exposure about Apple

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------|-----------|---------|---------------|--------------------|
| Valid | NO | 51 | 63.8 | 63.8 | 63.8 |
| | YES | 29 | 36.3 | 36.3 | 100.0 |
| | Total | 80 | 100.0 | 100.0 | |

In order to check if this has an impact on my study I added "Bias" as a dummy covariate in the Model 2 and checked whether the new covariate will have any effect on the model. The results of this test showed that by controlling for Bias as an additional dummy covariate in Model 2, the difference in the mean scores of post-scenario purchase intention between blame\no-blame groups is still significant as Sig. value of 0.038 < 0.05, as presented in *Table 15*.

The effect size is represented by adjusted R squared and is equal to 0.325 (32.5%) compared to 32.3% in Model 2. Influence of the dummy covariate (Bias) showed to be insignificant as Sig. value of 0.279>0.05.

This finding suggests that bias did not have a significant effect on my results.

Table 15: ANCOVA with Purchase Intention as Dependent Variable, Treatment as Independent Variable; EBA and Bias as Covariates

Tests of Between-Subjects Effects

Dependent Variable: Post-scenario purchase Intention

| Source | Type III Sum of Squares | df | Mean Square | Square F | | Partial Eta Squared |
|-----------------|-------------------------|----|-------------|----------|------|------------------------|
| Corrected Model | 139.373ª | 3 | 46.458 | 13.663 | .000 | .350 |
| Intercept | 19.935 | 1 | 19.935 | 5.863 | .018 | .072 |
| EBA | 124.525 | 1 | 124.525 | 36.621 | .000 | .325 |
| Bias | 4.047 | 1 | 4.047 | 1.190 | .279 | .015 |
| Groups | 15.096 | 1 | 15.096 | 4.439 | .038 | .055 |
| Error | 258.427 | 76 | 3.400 | | | |
| Total | 2438.000 | 80 | | | | |
| Corrected Total | 397.800 | 79 | | | | |

a. R Squared = .350 (Adjusted R Squared = .325)

6.2. Validity and reliability

6.2.1. Internal validity

Internal validity is concerned with the degree of certainty that observed effects in an experiment are actually the result of the experimental treatment, rather than intervening, extraneous or confounding variables (Pallant 2007). In this particular experiment I have used

a simplified version of the original blame attribution model presented by Bråthen (1999), excluding factors such as cognitive and motivational bias, ambiguity, abnormal necessity condition and threatened goals thus limiting content validity of the experiment (see the original model in *the Appendix*). A future research should include all of the factors listed above in order to improve content validity of this study.

Another challenge and possible limitation to this study was constructing the scenarios (the treatment) in such way that all of the attribution variables, namely locus, stability and control are presented and integrated in the case in a clear and understandable way for the respondents. A failure of a respondent to perceive these variables as intended would reduce criterion validity of this study as the treatment would not yield results that predict future behavior of a respondent.

I would also like to mention that in this particular study I interpret brand crisis as negative review from the media, which is a single criterion. However a crisis may appear in different forms such as direct exposure to the event, product failure or word of mouth, therefore in order to improve construct validity one could test the effect of EBA on purchase intention in a different form of crisis.

6.2.2. Generalizability (external validity)

A significant limitation of this study is representativeness of the sample size (N=80) and the problems of external validity. This experiment was conducted on a limited sample of respondents which questions the external validity. Due to the time constraints this may be a major issue while generalizing results in a bigger context. In order to find a general solution for the research question one must have a significant number of respondents and take into consideration industry-specific factors such as degree of consumer tolerance towards brand and nature of brand competition in the market. One could also investigate gender, and age differences and its effect on the degree of attachment, thus decreasing the level of the potential bias in the study.

6.2.3. Stability

As for stability of the measurement instrument over time and context, one could extend the experiment and test whether the effect of brand crisis on purchase intention is a sustainable factor that lasts over time or if it fades out from the consumer's perception with time.

6.2.4. Reliability

While conducting an experiment one should always question the reliability of the study and consider factors that may lead the data to yield inconsistent results. A degree of attachment towards a brand and perception of how inferior the crisis associations actually are, are the factors that may vary from culture to culture. Thus it is an important issue to take in consideration, because it may be a moderator to the model and yield inconsistent results. To overcome this issue, I limited my study to Norwegian students only as the majority of students at NHH are norwegian and it would be easier to collect homogenic data.

I also have to consider that not all students enjoy sharing their opinions about their preferences with regards to certain brands, thus in order to avoid participant bias I ensured all respondents that the interviews are confidential.

Reliability of scales and measurements used in this experiment are discussed under *Measures*.

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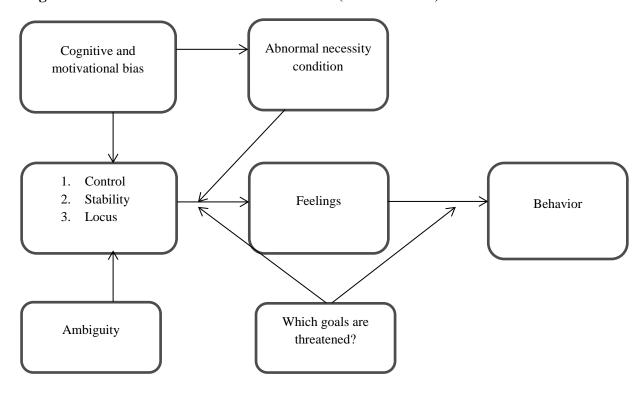
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Appendix

Conceptual Framework

Figure 7: Extended Blame Attribution Model (Bråthen 1999)



Measures

Table 16: EBA-PCA Analysis. Total Variance Explained, Correlations, Component Matrix and Communalities

Total Variance Explained

| | | Initial Eigenval | ues | Extract | ion Sums of Squar | ed Loadings |
|-----------|-------|------------------|--------------|---------|-------------------|--------------|
| Component | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 4.550 | 75.840 | 75.840 | 4.550 | 75.840 | 75.840 |
| 2 | .482 | 8.032 | 83.871 | | | |
| 3 | .353 | 5.883 | 89.755 | | | |
| 4 | .261 | 4.358 | 94.112 | | | |
| 5 | .195 | 3.244 | 97.356 | | | |
| 6 | .159 | 2.644 | 100.000 | | | |

Extraction Method: Principal Component Analysis.

Correlation Matrix

| | | Affection | Love | Connection | Passion | Delight | Captivation |
|-------------|-------------------|-----------|-------|------------|---------|---------|-------------|
| | | Apple | Apple | Apple | Apple | Apple | Apple |
| Correlation | Affection Apple | 1.000 | .821 | .615 | .734 | .744 | .708 |
| | Love Apple | .821 | 1.000 | .634 | .727 | .768 | .704 |
| | Connection Apple | .615 | .634 | 1.000 | .765 | .626 | .661 |
| | Passion Apple | .734 | .727 | .765 | 1.000 | .739 | .653 |
| | Delight Apple | .744 | .768 | .626 | .739 | 1.000 | .742 |
| | Captivation Apple | .708 | .704 | .661 | .653 | .742 | 1.000 |

Component Matrix^a

| Component must m | | | | | | | |
|-------------------|-----------|--|--|--|--|--|--|
| | Component | | | | | | |
| | 1 | | | | | | |
| Love Apple | .893 | | | | | | |
| Affection Apple | .887 | | | | | | |
| Delight Apple | .886 | | | | | | |
| Passion Apple | .884 | | | | | | |
| Captivation Apple | .854 | | | | | | |
| Connection Apple | .819 | | | | | | |

Extraction Method: Principal

Component Analysis.

a. 1 components extracted.

Communalities

| | | Extracti |
|-------------------|---------|----------|
| | Initial | on |
| Affection Apple | 1.000 | .787 |
| Love Apple | 1.000 | .798 |
| Connection Apple | 1.000 | .670 |
| Passion Apple | 1.000 | .782 |
| Delight Apple | 1.000 | .784 |
| Captivation Apple | 1.000 | .729 |

Extraction Method: Principal Component Analysis.

Analysis

Table 17: Attribution Control. Descriptives

Descriptive Statistics BLAME SCENARIO

| | N | | Maximum | Mean | Std. | | Skewness | | osis |
|--------------------|-------|-----------|-----------|-----------|-----------|-----------|----------|-----------|-------|
| | | | | | Deviation | | | | |
| | Stati | Statistic | Statistic | Statistic | Statistic | Statistic | Std. | Statistic | Std. |
| | stic | | | | | | Error | | Error |
| Locus Internal | 38 | 2 | 6 | 3.55 | 1.058 | .722 | .383 | 126 | .750 |
| Locus External | 38 | 1 | 7 | 4.58 | 1.553 | 247 | .383 | 150 | .750 |
| Stability Apple | 38 | 1 | 7 | 3.47 | 2.239 | .372 | .383 | -1.315 | .750 |
| Stability Industry | 38 | 1 | 7 | 4.26 | 1.639 | 137 | .383 | 779 | .750 |
| Control Apple | 39 | 1 | 7 | 4.31 | 1.524 | .198 | .378 | 728 | .741 |
| Control Industry | 38 | 1 | 7 | 3.42 | 1.518 | .452 | .383 | 442 | .750 |
| Valid N (listwise) | 38 | | | | | | | | |

Descriptive Statistics NO-BLAME SCENARIO

| | N | Minimu m | Maximu m | Mean | Std. Deviation | Skew | rness | Kurt | osis |
|--------------------|--------|-------------|-------------|-----------|-------------------|-----------|---------------|-----------|---------------|
| | Statis | Statistic | Statistic | Statistic | Statistic | Statistic | Std. Error | Statistic | Std. Error |
| Locus Internal | 39 | 1 | 7 | 3.36 | 1.495 | .238 | .378 | 550 | .741 |
| Locus External | 39 | 1 | 7 | 4.31 | 1.688 | 202 | .378 | 576 | .741 |
| Stability Apple | 39 | 1 | 7 | 2.92 | 2.005 | .586 | .378 | 972 | .741 |
| Stability Industry | 39 | 1 | 7 | 3.69 | 1.719 | .212 | .378 | 487 | .741 |
| Control Apple | 39 | 1 | 6 | 3.23 | 1.512 | 029 | .378 | 752 | .741 |
| Control Industry | 39 | 1 | 7 | 3.08 | 1.579 | .754 | .378 | .547 | .741 |
| Valid N (listwise) | 39 | | | | | | | | |

Table 18: Manipulation Check. Locus and Stability

LOCUS

Group Statistics

| | 1-Blame; 0- No-blame | N | Mean | Std. Deviation | Std. Error Mean |
|----------------|----------------------|----|------|----------------|-----------------|
| Locus Internal | 1 | 38 | 3.55 | 1.058 | .172 |
| | 0 | 39 | 3.36 | 1.495 | .239 |

| Inde | pendent | samples | Test |
|------|---------|---------|------|
| muc | penaeni | Samples | 1621 |

| | | Levene's Equal Varia | ity of | | t-test for Equality of Means | | | | | |
|----------|-----------------------------|----------------------------|--------|------|------------------------------|-----------------|--------------------|--------------------------|--------------------|----------|
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | 95% Co. Interva | l of the |
| | | | | | | | | | Lower | Upper |
| Locus | Equal variances assumed | 5.884 | .018 | .655 | 75 | .515 | .194 | .296 | 396 | .783 |
| Internal | Equal variances not assumed | | | .657 | 68.496 | .513 | .194 | .295 | 394 | .781 |

STABILITY

Group Statistics

| | 1-Blame; 0- No-blame | N | Mean | Std. Deviation | Std. Error Mean |
|-----------------|----------------------|----|------|----------------|-----------------|
| Challitan Amala | 1 | 38 | 3.47 | 2.239 | .363 |
| Stability Apple | 0 | 39 | 2.92 | 2.005 | .321 |

Independent samples Test

| | | Equali | evene's Test for Equality of Variances | | | t-test for Equality of Means | | | | |
|-----------|-----------------------------|--------|--|-------|--------|------------------------------|--------------------|--------------------------|-------------------------------|----------|
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | 95% Con Interval Differ | l of the |
| | | | | | | | | | Lower | Upper |
| Stability | Equal variances assumed | .948 | .333 | 1.137 | 75 | .259 | .551 | .484 | 414 | 1.515 |
| Apple | Equal variances not assumed | | | 1.136 | 73.637 | .260 | .551 | .485 | 415 | 1.517 |

Table 19: ANOVA Analysis of Purchase Intention (Model 1)

Descriptives

Post-scenario purchase Intention

| | | 95% Confidence Interval for | | | | | | | | | |
|-------|----|-----------------------------|-----------|------------|-------------|-------------|---------|---------|--|--|--|
| | | | Std. | | Me | ean | _ | | | | |
| | N | Mean | Deviation | Std. Error | Lower Bound | Upper Bound | Minimum | Maximum | | | |
| 0 | 40 | 5.25 | 2.072 | .328 | 4.59 | 5.91 | 1 | 7 | | | |
| 1 | 40 | 4.85 | 2.413 | .382 | 4.08 | 5.62 | 0 | 7 | | | |
| Total | 80 | 5.05 | 2.244 | .251 | 4.55 | 5.55 | 0 | 7 | | | |

Test of Homogeneity of Variances

Post-scenario purchase Intention

| Levene Statistic | df1 | df2 | Sig. |
|------------------|-----|-----|------|
| 1.384 | 1 | 78 | .243 |

Table 20: ANCOVA Analysis of Purchase Intention, with EBA as a Covariate (Model 2). Levenes's Test and Homogeneity of Regression Slopes

Levene's Test of Equality of Error Variances^a

Dependent Variable:Post-scenario purchase Intention

| F | df1 | df2 | Sig. |
|------|-----|-----|------|
| .002 | 1 | 78 | .969 |

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

a. Design: Intercept + VAR00004 + VAR00002

Homogeneity of Regression Slopes.

Tests of Between-Subjects Effects

Dependent Variable: Post-scenario purchase Intention

| | Type III Sum of | | | | |
|-----------------|----------------------|----|-------------|--------|------|
| Source | Squares | df | Mean Square | F | Sig. |
| Corrected Model | 149.375 ^a | 3 | 49.792 | 15.233 | .000 |
| Intercept | 19.569 | 1 | 19.569 | 5.987 | .017 |
| Groups | 23.030 | 1 | 23.030 | 7.046 | .010 |
| EBA | 135.508 | 1 | 135.508 | 41.456 | .000 |
| Groups * EBA | 14.050 | 1 | 14.050 | 4.298 | .042 |
| Error | 248.425 | 76 | 3.269 | | |
| Total | 2438.000 | 80 | | | |
| Corrected Total | 397.800 | 79 | | | |

a. R Squared = .376 (Adjusted R Squared = .351)

Table 21: ANCOVA. Analysis of Purchase Intention, with EBA and Control Apple as Covariates (Model 3). Levene's Test and Group Statistics

Levene's Test of Equality of Error Variances^a

Dependent Variable: Post-scenario purchase Intention

| F | df1 | df2 | Sig. |
|------|-----|-----|------|
| .129 | 1 | 76 | .721 |

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

1-Blame; 0- No-blame

Dependent Variable: Post-scenario purchase Intention

| 1-Blame; 0- No-blame | Mean | Std. Error | 95% Confidence Interval | | |
|----------------------|--------------------|------------|-------------------------|-------------|--|
| | | | Lower Bound | Upper Bound | |
| 0 | 5.441 ^a | .305 | 4.832 | 6.049 | |
| 1 | 4.739 ^a | .305 | 4.130 | 5.347 | |

a. Covariates appearing in the model are evaluated at the following values: EBA = 4.78, Control Apple = 3.77.

a. Design: Intercept + VAR00004 + VAR00010 + VAR00002

Table 22: ANCOVA with Control Industry as Dependent Variable, Group (Treatment) as Independent Variable, EBA as Covariate. Levene's Test and Homogeneity of Regression Slopes.

Levene's Test of Equality of Error Variances^a

Dependent Variable: Control Industry

| F | df1 | df2 | Sig. |
|------|-----|-----|------|
| .089 | 1 | 75 | .766 |

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

a. Design: Intercept + VAR00004 + VAR00002

Homogeneity of Regression Slopes

Tests of Between-Subjects Effects

Dependent Variable: Control Industry

| Source | Type III Sum of Squares | df | Mean Square | F | Sig. |
|-----------------|-------------------------|----|-------------|--------|------|
| Corrected Model | 7.987^{a} | 3 | 2.662 | 1.115 | .349 |
| Intercept | 144.280 | 1 | 144.280 | 60.419 | .000 |
| Groups | .055 | 1 | .055 | .023 | .879 |
| EBA | 5.430 | 1 | 5.430 | 2.274 | .136 |
| Groups * EBA | .227 | 1 | .227 | .095 | .759 |
| Error | 174.325 | 73 | 2.388 | | |
| Total | 994.000 | 77 | | | |
| Corrected Total | 182.312 | 76 | | | |

a. R Squared = .044 (Adjusted R Squared = .005)

Table 23: Bias Check. ANCOVA with Purchase Intention as Dependent Variable, Group (Treatment) as Independent Variable, EBA and Bias as Covariates. Levene's Test and Estimated Marginal Means.

Levene's Test of Equality of Error Variances^a

Dependent Variable: Post-scenario purchase Intention

| F | df1 | df2 | Sig. |
|------|-----|-----|------|
| .051 | 1 | 78 | .822 |

Tests the null hypothesis that the error variance of the dependent variable is equal across groups.

Estimated Marginal Means

a. Design: Intercept + VAR00004 + VAR00013 + VAR00002

1-Blame; 0- No-blame

Dependent Variable: Post-scenario purchase Intention

| 1-Blame; 0- No-blame | Mean | Std. Error | 95% Confidence Interval | |
|----------------------|--------------------|------------|-------------------------|-------------|
| | | | Lower Bound | Upper Bound |
| 0 | 5.493 ^a | .295 | 4.907 | 6.080 |
| 1 | 4.607 ^a | .295 | 4.020 | 5.193 |

a. Covariates appearing in the model are evaluated at the following values: Pre EBA FA = 4.80, BIAS = .36.

The Blame Questionnarie



Marketing and Brand Management Spring 2012 BRAND SURVEY x 40

NB: All of the data collected in this survey will be treated confidentially and will be used only for the purpose of this particular experiment.

Please do not proceed to the next page until you have filled out all of the questions below.

1. Specify your level of agreement or disagreement on a symmetric 1-7 disagree-agree scale for following series of statements (1-strongly disagree; 7-strongly agree):

| My feelings towards the | Samsung | Sony | Dell | Apple | HP | Acer | Fujitsu |
|-------------------------|---------|--------------|-------|-------|-------|-------|---------|
| following brand can be | (1-7) | (1-7) | (1-7) | (1-7) | (1-7) | (1-7) | (1-7) |
| characterized by: | | | | | | | |
| 1. Affection | | | | | | | |
| 2. Love | | | | | | | |
| 3. Connection | | | | | | | |
| 4. Passion | | | | | | | |
| 5. Delight | | | | | | | |
| 6. Captivation | | | | | | | |
| (Norsk: fengslende) | | | | | | | |

2. Specify your level of agreement or disagreement on a symmetric 1-7 disagree-agree scale for following series of statements (1-strongly disagree; 7-strongly agree):

| | Samsung | Sony | Dell | Apple | HP | Acer | Fujitsu |
|--------------------|---------|------|------|-------|----|------|---------|
| I would definitely | | | | | | | |
| purchase the | | | | | | | |
| following brand | | | | | | | |

Working excessive overtime without a single day off during the week, living together in crowded dormitories and standing so long that their legs swell and they can hardly walk after a 24-hour shift. These are the lives some employees claim they live at Apple's manufacturing centers in Taiwan, where the firm's suppliers allegedly wrongly dispose of hazardous waste and produce improper records in order to cover up their acts.

Almost 140 workers at a supplier in Taiwan were injured two years ago using a poisonous chemical to clean iPhone screens - and two explosions last year killed four people while injuring more than 75. The California tech giant had allegedly been alerted to hazardous conditions inside the Kaohsiung plant in southwest Taiwan before the explosions at those plants, reported the New York Times. A Doxconn (Apple's supplier) employee jumped or fell from a block of flats after losing an iPhone prototype in 2009 - and 18 other workers apparently tried to commit suicide in two years, reported the New York Times. Suicide nets were installed to prevent workers from jumping to their deaths and Doxconn began providing better mental health treatment for its staff. The fatal Kaohsiung explosion came from an aluminum dust build up three weeks after the iPad came out. Despite Apple's probe, seven months later there was another, non-fatal, explosion in Taipei.

A former Apple executive claimed that the company had knowledge of labor abuses in some factories for four years - 'and they're still going on because the system works for us'.

'This type of malpractice has never occurred with Apple before. If Apple was warned and didn't act, that's reprehensible' - Massachusetts Institute of Technology work safety expert Nicholas Ashford told the New York Times. 'But what's morally repugnant in one country is accepted business practices in another, and companies take advantage of that,' the former U.S. Labor Department advisor added. Banners in the Chengdu plant gave a warning to the 120,000 staff: 'Work hard on the job today or work hard to find a job tomorrow'.

Apple's new iPad: Hands-on

Remember the first time you saw an HD television? You were probably excited about the future but also a little sad that your current TV's days were numbered. For tablet fans, a glance at the iPad's new screen may offer this same emotional cocktail of envy and loss. But what did you expect? You take a product that is 90 percent screen and a company hangs its reputation on making the prettiest products around, then you're bound to arrive at this point: the point when Apple ruins other screens for you. The tablet's glass and aluminum construction is still 9.5 inches tall and 7.31 inches wide. Thickness is now 0.37 inch, weighing in at 1.5 pounds.

The iPad's processor has been upgraded to an A5X. While the CPU remains dual-core, the graphics processor has been beefed up to quad-core. This seems to be a necessary measure for juggling four times the pixels of the previous model. While "Siri" won't be coming to the iPad, voice dictation will. Also, if someone asks you where to find great Thai food nearby, your phone is likely to be your first point of reference. Still, voice dictation is a welcome addition, and I suspect it will come in handy for dictating e-mails and bypassing the touch-screen keyboard when searching for information online.

3. Specify your level of agreement or disagreement on a symmetric 1-7 disagree-agree scale for following series of statements (1-strongly disagree; 7-strongly agree):

| | (1-7) |
|--|-------|
| Ipad is one of my favorite products | |
| The processor is the most important attribute in Ipad | |
| The size is the most important attribute in Ipad | |
| The touch-screen is the most important attribute in Ipad | |

| <i>4</i> . | Specify your level of agreement or disagreement on a symmetric 1-7 disagree-agree |
|------------|--|
| | scale for following series of statements (1- strongly disagree; 7-strongly agree): |

| My feelings towards the following brand can be characterized by: | Apple (1-7) |
|--|--------------------|
| 1. Affection | |
| 2. Love | |
| 3. Connection | |
| 4. Passion | |
| 5. Delight | |
| 6. Captivation | |
| (norsk:fengslende) | |

| | (1-7) |
|-----------------------------------|-------|
| I would definitely purchase Apple | |

| 6. | Have you | been previously | exposed to | negative media | exposure about | Annle |
|-----|-----------|-----------------|------------|----------------|-------------------|-------|
| 1/. | HUVE VIIU | Deen Dievidusiv | cannocu w | nezunve mean | eximusure unimur. | |

Yes No

If Yes: which type of negative exposure was it?

| Answer: | |
|---------|--|
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

7. Please state positive things that you associate with Apple

| Answe | er: | | |
|-------|---|---------------------|--|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| 8. | Please state negative things that you a | ssociate with Apple | |
| | | | |
| Answe | er: | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

| | | 1-7 |
|----|--|-----|
| 1. | The crisis in Taiwan was purely Apple's fault (and not its manufacturing partners). | |
| 2. | Most companies operating in Taiwan (East Asia) do exploit their workers. | |
| 3. | I'm aware that this kind of malpractice has taken place several times in the past, where Apple was involved. | |
| 4. | Most companies operating in East Asia exploit their workers all the time. | |
| 5. | Apple had control over the crisis in Taiwan, but didn't do anything about it. | |
| 6. | Most companies operating in East Asia have full control over their operations and employee management. | |

Please read the following statement carefully:

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Thank you for your cooperation!

The No-blame Questionnarie



Marketing and Brand Management Spring 2012 BRAND SURVEY x 40

NB: All of the data collected in this survey will be treated confidentially and will be used only for the purpose of this experiment.

Please do not proceed to the next page until you have filled out all of the questions below.

10. Specify your level of agreement or disagreement on a symmetric 1-7 disagree-agree scale for following series of statements (1- strongly disagree; 7-strongly agree):

| My feelings towards the | Samsung | Sony | Dell | Apple | HP | Acer | Fujitsu |
|-------------------------|---------|-------|-------|--------------|-------|-------|--------------|
| following brand can be | (1-7) | (1-7) | (1-7) | (1-7) | (1-7) | (1-7) | (1-7) |
| characterized by: | | | | | | | |
| 7. Affection | | | | | | | |
| 8. Love | | | | | | | |
| 9. Connection | | | | | | | |
| 10. Passion | | | | | | | |
| 11. Delight | | | | | | | |
| 12. Captivation | | | | | | | |
| (Norsk: fengslende) | | | | | | | |

11. Specify your level of agreement or disagreement on a symmetric 1-7 disagree-agree scale for following series of statements (1- strongly disagree; 7-strongly agree):

| | Samsung | Sony | Dell | Apple | HP | Acer | Fujitsu |
|--------------------|---------|------|------|-------|----|------|---------|
| I would definitely | | | | | | | |
| purchase the | | | | | | | |
| following brand | | | | | | | |

Working excessive overtime without a single day off during the week, living together in crowded dormitories and standing so long that their legs swell and they can hardly walk after a 24-hour shift. These are the lives some employees claim they live at Apple's manufacturing centers in Taiwan, where the firm's suppliers allegedly wrongly dispose of hazardous waste and produce improper records.

Almost 140 workers at a supplier in Taiwan were injured two years ago using a poisonous chemical to clean iPhone screens - and two explosions last year killed four people while injuring more than 75. The California tech giant however didn't know about the hazardous conditions inside the Kaohsiung plant in southwest Taiwan before the explosions at those plants, reported the New York Times. A Doxconn (Apple's supplier) employee jumped or fell from a block of flats after losing an iPhone prototype in 2009 - and 18 other workers apparently tried to commit suicide in two years, reported the New York Times. Suicide nets were installed to prevent workers from jumping to their deaths and Doxconn began providing better mental health treatment for its staff. The fatal Kaohsiung explosion came from an aluminum dust build up three weeks after the iPad came out. Despite Apple's probe, seven months on there was a further, non-fatal, explosion in Taipei. A former Apple executive claimed that the company did not know about labor abuses in some factories for four years - 'We are one of the global leaders, and have never experienced this type of negligence in the past. We will take all necessary actions in order to prevent this type of malpractices.'

'This wasn't Apple's fault, they chose the wrong agent in Taiwan that capitalized on the brand's equity in order to earn higher profits' Massachusetts Institute of Technology work safety expert Nicholas Ashford told the New York Times. 'But what's morally repugnant in one country is accepted business practices in another, and Apple was a victim of this malpractice,' the former U.S. Labor Department advisor added. Apple has taken a serious notice of this incident and apologized to the families of the workers. "We simply didn't know about this malpractice until it was exposed by the media, and we have already begun the process to inspect and review our supplier partners" – wrote the Apple's representative in California

Apple's new iPad: Hands-on

Remember the first time you saw an HD television? You were probably excited about the future but also a little sad that your current TV's days were numbered. For tablet fans, a glance at the iPad's new screen may offer this same emotional cocktail of envy and loss. But what did you expect? You take a product that is 90 percent screen and a company hangs its reputation on making the prettiest products around, then you're bound to arrive at this point: the point when Apple ruins other screens for you. The tablet's glass and aluminum construction is still 9.5 inches tall and 7.31 inches wide. Thickness is now 0.37 inch, weighing in at 1.5 pounds.

The iPad's processor has been upgraded to an A5X. While the CPU remains dual-core, the graphics processor has been beefed up to quad-core. This seems to be a necessary measure for juggling four times the pixels of the previous model. While "Siri" won't be coming to the iPad, voice dictation will. Also, if someone asks you where to find great Thai food nearby, your phone is likely to be your first point of reference. Still, voice dictation is a welcome addition, and I suspect it will come in handy for dictating e-mails and bypassing the touch-screen keyboard when searching for information online.

12. Specify your level of agreement or disagreement on a symmetric 1-7 disagree-agree scale for following series of statements (1- strongly disagree; 7-strongly agree):

| | (1-7) |
|--|-------|
| Ipad is one of my favorite products | |
| The processor is the most important attribute in Ipad | |
| The size is the most important attribute in Ipad | |
| The touch-screen is the most important attribute in Ipad | |

| 13. | Specify your level of agreement or disagreement on a symmetric 1-7 disagree-agree |
|-----|--|
| | scale for following series of statements (1- strongly disagree; 7-strongly agree): |

| My feelings towards the following brand can be characterized by: | Apple |
|--|-------|
| | (1-7) |
| 7. Affection | |
| 8. Love | |
| 9. Connection | |
| 10. Passion | |
| 11. Delight | |
| 12. Captivation | |
| (norsk:fengslende) | |

| | (1-7) |
|-----------------------------------|-------|
| I would definitely purchase Apple | |

| 7 | _ | | | | I | | | | | 4 - | 4 | | · | | | . A | 1 | _ • |
|---|----|------------------|-----|----------|-------------------------|-------|-------|------|-------|------------------|---------|-------|-----------------|--------|-------|-------|-----|-----|
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| 1 | J. | | urc | vvu | $\nu\epsilon\epsilon n$ | DIEVI | vusiv | CA | vvseu | $\iota \upsilon$ | negativ | c mea | ш сл | DUSUIC | uvvui | / / 1 | DDU | · • |
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Yes No

If Yes: which type of negative exposure was it?

| Answer: |
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16. Please state positive things that you associate with Apple

| Answer: | |
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| | |
| 17. Please state negative things that you associate with Apple | |
| Answer: | |
| | |
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| | |
| | |

| | 1-7 |
|---|-----|
| 7. The crisis in Taiwan was purely Apple's fault (and not its manufacturing partners). | |
| 8. Most companies operating in Taiwan (East Asia) do exploit their workers. | |
| 9. I'm aware that this kind of malpractice has taken place several times in the past, where Apple was involved. | |
| 10. Most companies operating in East Asia exploit their workers all the time. | |
| 11. Apple had control over the crisis in Taiwan, but didn't do anything about it. | |
| 12. Most companies operating in East Asia have full control over their operations and employee management. | |

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