

# Summers, C. A., Smith, R. W., & Reczek, R. W. (2016). An audience of one: Behaviorally targeted ads as implied social labels. *Journal of Consumer Research*, 43(1), 156-178.

## Summary

- behaviorally targeted ads can act as implied social labels, leading consumers to adjust their self-perceptions and draw on these adjusted self-perceptions to determine consequent behavior (e.g., purchase intention, donation)
- adjustments in consumer self-perceptions in response to behaviorally targeted advertisements depend on the plausibility of the connection between the label and past behavior (targeting accuracy)

## Hypotheses

**H1:** Behaviorally targeted advertisements can act as implied social labels, resulting in adjustments to self-perceptions and behavior consistent with the label.

**H2:** Changes in consumer behavior in response to behaviorally targeted ads are mediated by the recognition that the ad implies information about the consumer based on his or her past behavior and the subsequent self-perception adjustments that result as a function of recognizing this implied label.

**H3:** The effects proposed in hypotheses 1 and 2 only hold when the implied label is plausibly connected to consumers' prior behavior (i.e., when behavioral targeting is at least moderately accurate).

## Study 1

- 188 undergraduate students, to test whether an ad that is purportedly behaviorally targeted acts as an implied social label and whether this implied

label results in greater purchase likelihood (vs. demographically targeted or nontargeted ads)

- **Design:** 3-cell between-subjects design (behavioral vs. demographic vs. nontargeted)
- **Result:** (1) recognition of the implied social label: behavioral >\* demographical > nontargeted (2) purchase intention: behavioral >\* demographical = nontargeted (3) recognition of the implied social label mediates the relationship between behavioral targeting and purchase intention

## Study 2

- 197 undergraduate students, to test the full serial mediation proposed in hypothesis 2 (behavioral targeting → implied social label → self-perceptions → purchase intention) and to eliminate the alternative explanation of identity salience
- **Design:** 3-cell between-subjects design (behaviorally targeted vs. identity salience vs. nontargeted)
- **Result:** (1) recognition of the implied social label: behaviorally targeted >\* identity salience = nontargeted (2) self-perceptions of sophistication: behaviorally targeted >\* identity salience = nontargeted ad (3) mediation: supported (4) being in the market a week later: behaviorally targeted >\* identity salience = nontargeted ad

## Study 3

- 178 undergraduate students, to examine the effect of behavioral targeting on other consumer behavior (donation)
- **Design:** 2 (behavior targeting: yes vs. no) X 2 (product: environmentally friendly vs. control between-subjects design)
- **Result:** (1) recognition of the implied green label: behaviorally targeted >\* nontargeted, environmentally friendly >\* control, no interaction (2) self-perceptions of greenness: significant interaction effect: behavioral targeting X environmentally friendly products have a positive effect on self-perceptions of greenness (3) consumer behavior (purchase intention, donation) mediation: behavioral targeting → labeling, self-perceptions → consumer behavior in environmental-friendly condition but not in control condition, behavioral targeting → labeling → self-perceptions → consumer behavior

- the accuracy of a behaviorally targeted ad moderates the direct effect on self-perceptions and the mediated effect on behavior through self-perceptions → while consumers recognize even inaccurate behaviorally targeted ads as implied social labels, it is accuracy (i.e., the match between this prior behavior and the implied label) that determines whether this label is perceived to be relevant to the self, leading to adjustments in self-perceptions that play a mediating role in subsequent trait-related behavior.

## Study 4

- 269 adults from MTurk, to test hypothesis 3 by exploring whether acceptance of an implied social label depends on the accuracy of the behavioral targeting
- **Design:** 2 (behavior targeting: yes vs. no) X 2 (positioning: outdoors vs. indoors) between-subjects design
- **Result:** (1) implied outdoorsy label: priority interest (+) for both product positioning but behavioral targeting (+) for outdoors positioning, (*insig.*) for indoors positioning (2) self-perceptions of outdoorsiness: among outdoors positioning, behavioral targeting (+) only among participants who made four through nine outdoors-related choices in the shopping task; among indoors positioning, behavioral targeting (-) among participants who selected one to six outdoors products in the shopping task (3) mediation: behavioral targeting → outdoorsy labeling → purchase intention for solar charger, but not for hot chocolate; behavioral targeting → self-perception → purchase intention for hot chocolate under outdoors positioning with moderate-high accuracy; behavioral targeting → self-perception → purchase intention for solar charger in both positionings given moderate-high accuracy; behavioral targeting → outdoorsy labeling → self-perception → purchase intention for outdoors positioning but not for indoors positioning;

## Thoughts

- In the experiments, the implied social label were either neutral or positive. Would behavior targeting still have positive effects on purchase intention when the implied social label is socially undesirable or unwanted by the consumers? For instance, consumers might show strong resistance if the implied label is related to the traits they want to hide from others.
- In real life, consumers are exposed to numerous ads and are often doing other tasks when they encounter advertising. Therefore, consumers are often inattentive to ads and lack cognitive resources in reality compared to experiment

setting. I wonder if self-perception will still change according to the implied label under such inattentiveness and limited cognitive resources.