

## Is Cinderella resurging? The impact of consumers' underdog disposition on brand preferences: Underdog brand biography and brand status as moderators

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### ABSTRACT

This research attempts to explore the moderating roles of underdog brand biography and brand status in the impact of consumers' underdog disposition on brand preferences. A total of 218 on-the-job graduate students were randomly assigned to a 2 (explicitness of underdog brand biography: implicit vs. explicit) × 2 (brand status: emerging brands vs. established brands) factorial design. Results show that consumers with strong underdog disposition are likely to generate stronger brand preferences for established brands accompanied with explicit underdog brand biographies than emerging brands accompanied with explicit underdog brand biographies; in contrast, consumers with strong underdog disposition are likely to engender no differential brand preferences for emerging brands accompanied with implicit underdog brand biographies over established brands accompanied with implicit underdog brand biographies. Moreover, consumers with a weak underdog disposition are likely to engender stronger brand preferences for established brands than emerging brands, regardless of the explicitness of underdog brand biography. Copyright © 2015 John Wiley & Sons, Ltd.

Underdog stories have been pervasive across music, sports, and films for the past few decades (Parahia *et al.*, 2011); for example, the judge Piers Morgan said of Susan Boyle on Britain's Got Talent, "Without a doubt, that was the biggest surprise I have had in three years on the show. When you stood there with that cheeky grin and said, 'I wanna be like Elaine Page', everyone was laughing at you. No one is laughing now. That was stunning, an incredible performance...." Amanda Holden, another judge on the show, also commented, "I am so thrilled because I know that everyone was against you. I honestly think that we were all being very cynical and I think that's the biggest wake up call ever." Similar underdog stories can be found in J. K. Rowling (the author of Harry Potter) and Jeremy Lin (the so-called Linsanity, the professional basketball player of Lakers in Los Angeles). Why are underdog stories so inspiring? Parahia *et al.*, (2011) argued that consumers tend to produce positive reaction when they see the underdog aspects of their own lives being reflected in the underdog branded products.

As Parahia *et al.*, (2011) indicated, underdog effect is an underexplored area in consumer research. Prior relevant research concludes that individuals prefer to connect themselves to winners and disconnect themselves to losers, implying that underdog brands are likely to be unfavorably evaluated. However, Parahia *et al.*, (2011) proposed an opposite conclusion, which posits that underdog brands can increase purchase intentions, real choice, and brand loyalty. This research attempts to further explore the underdog effect by measuring the consumers' underdog disposition and manipulating the explicitness of underdog brand biography, while examining the moderating role of brand status.

### BACKGROUND OVERVIEW AND THEORETICAL DEVELOPMENT

#### Underdog brand biography

Marketers are increasingly applying brand biographies to devise their branding strategies. The traditional "story-branding" process helps customers understand the brand's origin, the brand founder's entrepreneurial process, and the brand's current and prospective market standings. Because advertising is crafted to build and nurture relationships between brands and customers, story-branding increasingly becomes an effective approach to communicate with audiences and accordingly enhance ad effectiveness. Furthermore, the information contained in brand stories or brand biographies can be both informational and affective. It appears that information in brand stories or brand biographies is more humane oriented and affection based than other information in a form of technical specifications in other advertising vehicles (Mattila 2000).

Traditionally, the ingredients of brand biography include product packaging, origin of brand, and the memorial stories (Parahia *et al.*, 2011). Put another way, these "brand biographies" apply personal narratives to depict a historical context of the events that have delivered the brand, chronicling its origins, life experiences, and evolution through mass media, social networking sites (such as FaceBook and Twitter), and their official websites to narrate the biographical stories of brands (Parahia *et al.*, 2011).

However, Escalas (2004) proposed that traditional brand stories, which focus on goals, actions, and outcomes, are likely to be self-related and need to be forged between brands in an ad story and the achievement of self-related goals. A smart brand has to include a self-brand connection, which is based on perceived psychological benefits, in its brand biography. In this way, good brand biographies are expected to invoke a range of consumer values, such as authenticity, artisanship, and heritage.

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In addition, Chiu *et al.*, (2012) have described four key ingredients for the success of brand biography: authenticity (Deighton *et al.*, 1989), conciseness (Reinstein and Trebbly 1997), reversal (Casebeer 2008), and humor (Bruce 2001). Among these ingredients, reversal and humor can be categorized as abstract concepts. Put another way, a successful brand biography is basically abstract oriented to evoke the audience's emotional attachment.

Based upon the story-telling style, brand biography can be dichotomized into underdog and top dog ones. Generally, the underdog brand biographies narrate brand stories regarding the humble origins of entrepreneurs, who struggled to defeat the odds and crafted their brands and businesses through indomitable will and determination, despite the scarcity of external resources in relation to their well-resourced competitors. In contrast, the top dog brand biographies narrate brand stories regarding the smooth starts of the entrepreneurs, who did not experience challenges during their brand-building process, as well as the abundance of internal and external resources, as compared with their unrivaled competitors.

The underdog brand biography, addressed by Parahia *et al.*, (2011), refers to describe an emerging trend in branding where firms depict a historical review of their humble origins, lack of resources, and determined struggle against the odds. An underdog brand biography consists of two essential dimensions: external disadvantage, and passion and determination. Underdog stories are often delivered to consumers through a brand biography, an unrevealed story that chronicles the brand's origins, life experiences, and evolution over time in a selectively constructed story (Parahia *et al.*, 2011). Many world-class brands, such as Google, Microsoft, and Apple, have included their underdog stories, which highlight the company's humble beginnings, founder's resolute passions and dreams, and indomitable struggles against hardships in their brand biographies.

### Consumers' underdog disposition

Avery *et al.*, (2010, p. 220) indicated that the positive brand effects are driven by consumers' self-brand connection. Considered in this way, the underdog effect can be moderated by consumers' self-reported underdog disposition. Specifically, the stronger the consumers identify themselves as underdogs, the greater the underdog effect is; conversely, the stronger the consumers identify themselves as top dogs, the weaker the underdog effect is. Consumers who rate themselves as underdogs are likely to indicate that they feel that they will overcome the odds and "pulled themselves up from their bootstraps" (Parahia *et al.*, 2011), and thus likely to build their self-brand connections to the underdog brands and subsequently engender brand preferences for those brands.

In contrast, consumers who rate themselves as top dogs (i.e., weak underdog disposition) are likely to focus on the outcomes of the brand development. Put another way, those top dog consumers tend to generate self-brand connections and attempt to reflect their success through using the leading and prestigious brands, and thus, they tend to have limited or no empathies toward the underdog brands.

Considered in this way, consumers with strong underdog disposition tend to generate empathies toward underdog

brands, as they are more likely to see the underdog aspects of their own lives being reflected in the underdog brand than those with weak underdog disposition (Parahia *et al.*, 2011). It is accordingly inferred that when the underdog brand biography is demonstrated in an explicit rather than in an implicit fashion, consumers with strong underdog disposition can effortlessly appreciate the "spirits of underdog" and accordingly build the strong self-brand connections to the underdog brands and thus generate brand preferences for the underdog brands. However, the consumers with weak underdog disposition tend to lay focus on the outcomes of brand building. The only criterion for them to judge a brand is how successful the brand is, implying that the way the underdog brand biography is demonstrated is beyond their scope of consideration. Therefore, the explicitness of underdog brand biography does not affect how consumers with weak underdog disposition perceive the underdog brand. Thus,  $H_1$  is stated as follows.

*H<sub>1</sub>: Consumers with strong underdog disposition are likely to engender stronger brand preferences for brands accompanied with explicit underdog brand biographies than those with implicit underdog brand biographies; in contrast, consumers with weak underdog disposition are likely to engender no differential brand preferences for brands accompanied with implicit underdog brand biographies over those with explicit underdog brand biographies.*

### Brand status

Brand status refers to how consumers perceive a brand's quality, prestige, and price, as well as its capability to act as a status or success symbol (O'Cass and Frost 2002). How a brand status is perceived depends on consumers' life experiences, knowledge, and an awareness of competing brands (O'Shaughnessy and O'Shaughnessy 2002). The perceptions of a brand's position in the consumers' minds can form a ranking for competing brands from low to high, that is, differential brand status (O'Cass and McEwen 2004). There are various criteria for consumers to assess a brand's status in its category, such as brand awareness, history, exclusiveness (Kirmani *et al.*, 1999), technical superiority, pricing (premium vs. cheap), and the aesthetics of the brand (Vigneron and Johnson 2004).

While making purchase decisions, consumers tend to examine the functionality and the symbolic meaning or property of the brand to meet their physical or psychological needs. Brand status can act as a more important role in purchase decisions when consumers are concerned about the brand's association with symbolism and prestige. Put another way, brand status is the projected object of the symbolic property embedded within the brand or brand name (del Río *et al.*, 2001).

This research used the brand awareness and history to distinguish from the brand status; more clearly, brands are dichotomized into emerging brands and established brands. While emerging brands refer to the rapidly growing but not yet well-developed brands, established brands denote the time-honored brands with high awareness.

The task the advertisers of emerging brands would face is that the specifications and pricing in the same product/service category might have been set. Therefore, for competing with well-known established brands, advertisers of emerging brands have to conduct marketing strategies to break through the “ceilings” built by the established brands and the reference points in prospective consumers’ minds.

As mentioned earlier, consumers with strong underdog disposition are inclined to make self-brand connections between their own past endeavors to overcome the hardship and the candidate brands. Therefore, while choosing a brand, consumers with strong underdog disposition are likely to generate empathies toward brands that are struggling against the odds. Emerging brands, by definition, are those brands that are growing but have not reached the status of high awareness. Therefore, it is predicted that consumers with strong underdog disposition are likely to favorably assess the emerging brands.

However, the focus of consumers with weak underdog disposition is the brand’s current status (either time-honored or high brand awareness) rather than the uncertain success in the future. Specifically, consumers with weak underdog disposition are likely to generate few or no empathies toward emerging brands, which have not proved their success in its category. In contrast, consumers with weak underdog disposition are inclined to favorably assess the established brands, which have proved their success in the market.

*H<sub>2</sub>: Consumers with strong underdog disposition are likely to engender stronger brand preferences for emerging brands than established brands; in contrast, consumers with weak underdog disposition are likely to engender stronger brand preferences for established brands than emerging brands.*

As noted in H<sub>1</sub>, for consumers with strong underdog disposition, the explicit underdog brand biography elicits stronger brand preference than implicit underdog brand biography. As in H<sub>2</sub>, consumers with strong underdog disposition are inclined to engender empathies toward emerging brands. Consumers with underdog disposition are defined as those who *overcame the odds* and “pulled themselves up from their bootstraps” (Parahia *et al.*, 2011). When the underdog brand biography is presented in an explicit fashion, consumers with strong underdog disposition are likely to shift their focus from the past endeavors to the evaluations of success in the future, implying that they may compare with the success among candidate brands. Established brands, which have established for a longer time and/or built higher awareness, are likely to be more favorably evaluated than emerging brands, which have not proved their success in the market. More clearly, as compared with the “not-yet-successful” (emerging) brands, the “already-successful” (established) brands are more consistent with the personality traits of consumers with strong underdog disposition, who have experienced struggles and success during their growth phases.

*H<sub>3</sub>: Consumers with strong underdog disposition are likely to engender stronger brand preferences for established brands accompanied with explicit underdog brand biographies than emerging brands accompanied with explicit underdog brand biographies.*

As indicated in H<sub>2</sub>, consumers with strong underdog disposition engender stronger brand preferences for emerging brands than established brands. Furthermore, when consumers with strong underdog disposition are exposed to emerging brands, which are explicitly characterized by struggling against odds and fighting for success, their empathies can be evoked. However, when underdog brand biographies are presented in an implicit fashion, consumers with strong underdog disposition are not prompted enough to evoke empathies toward emerging brands. In contrast, when they are exposed to the established brands, which are characterized by high awareness, their empathies may not be evoked. Therefore, it is predicted that consumers with strong underdog disposition tend to generate no differential brand preferences for emerging brands over established brands when the underdog brand biographies are in an implicit fashion.

*H<sub>4</sub>: Consumers with strong underdog disposition are likely to engender no differential brand preferences for emerging brands accompanied with implicit underdog brand biographies over established brands accompanied with implicit underdog brand biographies.*

As stated in H<sub>1</sub>, the consumers with weak underdog disposition tend to lay focus on the outcomes of brand building. The only criterion for them to judge a brand is how successful the brand is, implying that the way the underdog brand biography is demonstrated is beyond their scope of consideration. In addition, while being exposed to emerging brands characterized by struggling against odds and fighting for success, the consumers with weak underdog disposition are not sure whether the emerging brands will succeed in the future; therefore, no favorable assessment will be made. However, the established brands characterized by high awareness can prompt those consumers’ identification of success. Thus, it is predicted that consumers with weak underdog disposition tend to generate stronger brand preferences for established brands than emerging brands, whether the brand biographies are demonstrated in an implicit or explicit fashion.

*H<sub>5</sub>: Consumers with weak underdog disposition are likely to engender stronger brand preferences for established brands than emerging brands, regardless of the explicitness of underdog brand biography.*

## METHODOLOGY

### Pretests of stimulus material

According to Martin *et al.*, (2003), a pretest for identifying an appropriate product/service is based on two criteria: (1) the product/service offers a range of attributes for manipulation, and (2) the product/service is relevant to the research sample. Hence, a pretest was conducted to assure the appropriateness of the stimulus material for the following experiments. Twenty on-the-job graduate students were asked to create a list of the most frequently used services. Next, another 20 on-the-job graduate students rated the four most frequently used products or services from stage one on five



7-point scales (e.g., unimportant/important) for involvement, from which an average score is derived. The pretest revealed that banking services are among the highest involvement score ( $M=5.57$ ), all subjects currently own at least two bank accounts, (100%), and a large number of them use the financial services (either via Internet or physically visit the bank) more than once a week (95%), suggesting a pretty high frequency of use. Thus, the bank's financial services are selected as the stimulus material in this research.

### Research design and procedure

A total of 218 on-the-job graduate students were randomly assigned to a 2 (explicitness of underdog brand biography: implicit vs. explicit)  $\times$  2 (brand status: emerging brands vs. established brands) factorial design, where the consumers' underdog disposition acts as the measured independent variable, underdog brand biography, and brand status as the manipulated moderators and brand preferences as the dependent variable.

#### Measurement of consumers' underdog disposition

The measurement of consumers' underdog disposition was adapted from the study of Parahia *et al.*, (2011). The underdog disposition for each subject was measured by the 18 7-point scales devised by Parahia *et al.*, (2011). Subjects were dichotomized into high and low underdog disposition groups based on a median split (median = 69,  $\alpha = 0.94$ ). Consumers of weak underdog disposition and strong underdog disposition exhibited significantly different scores ( $M_{\text{weak underdog}} = 49.41$ ,  $M_{\text{strong underdog}} = 88.46$ ,  $t(216) = -66.12$ ,  $p = 0.00 < 0.01$ ).

#### Manipulation of underdog brand biography

For the manipulation of underdog brand biography, two essential dimensions of an underdog biography have been identified: external disadvantage, and passion and determination. The explicitness was applied to distinguish from two versions of underdog brand stories (implicit vs. explicit). Specifically, the implicit underdog brand story contains the descriptions of implicit external disadvantage and the founder's passion and determination, whereas the explicit underdog brand story contains the description of the explicit external disadvantage and the founder's passion and determination.

Two versions of print advertisements were created, equal in all respects except for their explicitness of underdog brand biography. In the primed condition of implicit brand story, participants were told that the founders of *Bank of Global Wealth (BGW)* challenged the opportunities of external resources and held a wonderful dream and sought to succeed. They overcame the potential odds to bring their financial services to market. In contrast, in the primed condition of explicit brand story, participants were told that the founders of BGW experienced a scarcely resourced start, but held an indomitable passion and struggled to succeed. They finally overcame the odds and brought their financial services to market with success. This version of brand advertisements was the same as another version of brand ads in all aspects except for the explicitness of underdog

brand story. Specifically, the expression was varied in the two ad versions through the headline of the advertisements and through the explicitness of underdog brand story. Subjects were asked to view the advertisement and read a statement about the ad appeals for financial services offered by a fictitious BGW. The following excerpt shows the main ad copy with implicit underdog brand story for BGW:

*~ The innovative financial services offered by Bank of Global Wealth always keep you ahead of others, since we started with the basics.*

*Thomas Zwick and Don Ashburg, the founders of BGW, challenged the opportunities of external resources and held a wonderful dream and sought to succeed. They overcame the potential odds to bring their financial services to market with success.*

In contrast, the main ad copy with explicit underdog brand story for BGW reads as follows:

*~ The innovative financial services offered by Bank of Global Wealth will always keep you ahead of others, since we started with the basics.*

*Thomas Zwick and Don Ashburg, the founders of BGW, experienced a scarcely resourced start, but held an indomitable dream and struggled to succeed. They finally overcame the odds to bring their financial services to market with success.*

#### Manipulation of brand status

For the manipulation of brand status, two versions of print advertisements were created, equal in all respects except for their brand status. The headline in the version of emerging brand reads, "The innovative financial services offered by Bank of Global Wealth, the most energetic new bank in the financial market, will always keep you ahead of others, since we started with the basics.", whereas the headline in the version of established brand reads, "The innovative financial services offered by Bank of Global Wealth, the most experienced bank in the financial market, will always keep you ahead of others, since we started with the basics." The version of brand advertisements was as similar as another version of brand ads in all aspects except for brand status. Specifically, the expression is varied in the two ad versions through the headline of the advertisements and through the brand status. Subjects were asked to view the advertisement and read a statement about the ad appeals for a fictitious BGW. The following excerpt shows the main ad copy for the version of the emerging brand BGW:

*~ The innovative financial services offered by Bank of Global Wealth, the most energetic new bank in the financial market, will always keep you ahead of others, since we started with the basics.*

In contrast, the main ad copy with for the version of the established brand (BGW) reads as follows:

*~ The innovative financial services offered by Bank of Global Wealth, the most experienced bank in the financial market, will always keep you ahead of others, since we started with the basics.*

*Combination manipulations of underdog brand biography and brand status*

Subsequently, the explicitness of underdog brand biography and the brand status were manipulated simultaneously. Subjects were asked to view the advertisement and read the ad copy about the ad appeals of the financial services offered by BGW, which is described either as an emerging or established bank and accompanied by either an implicit or an explicit underdog brand story. The following excerpt shows the main ad copy for the emerging brand with implicit underdog brand story:

*~ The innovative financial services offered by Bank of Global Wealth, the most energetic new bank in the financial market, will always keep you ahead of others, since we started with the basics.*

*Thomas Zwick and Don Ashburg, the founders of BGW, challenged the opportunities of external resources and held a wonderful dream and sought to succeed. They overcame the potential odds to bring their financial services to market with success.*

In contrast, the main slogan of the ad copy for the established brand with implicit underdog brand story reads as follows:

*~ The innovative financial services offered by Bank of Global Wealth, the most experienced bank in the financial market, will always keep you ahead of others, since we started with the basics.*

*Thomas Zwick and Don Ashburg, the founders of BGW, challenged the opportunities of external resources and held a wonderful dream and sought to succeed. They overcame the potential odds to bring their financial services to market with success.*

Moreover, the main slogan of the ad copy for the emerging brand with explicit underdog brand story reads as follows:

*~ The innovative financial services offered by Bank of Global Wealth, the most energetic new bank in the financial market, will always keep you ahead of others, since we started with the basics.*

*Thomas Zwick and Don Ashburg, the founders of BGW, experienced a scarcely resourced start, but held an indomitable dream and struggled to succeed. They finally overcame the odds to bring their financial services to market with success.*

In contrast, the main slogan of the ad copy for the established brand with explicit underdog brand story reads as follows:

*~ The innovative financial services offered by Bank of Global Wealth, the most experienced bank in the financial market, will always keep you ahead of others, since we started with the basics.*

*Thomas Zwick and Don Ashburg, the founders of BGW, experienced a scarcely resourced start, but held an indomitable dream and struggled to succeed. They finally overcame the odds to bring their financial services to market with success.*

#### Dependent measure

Brand preferences were measured with three items and were adapted from the study of Hellier *et al.*, (2003). Those items consist of "I am interested in trying another bank's financial services," "my favorite bank performs better than all other banks," and "This bank is the finest for me." Among these three items, the first one was reverse coded. All responses were collected on 7-point Likert scales (1 = *strongly disagree*; 7 = *strongly agree*). All items were averaged to form an index for brand preferences.

## RESULTS

### Manipulation check of underdog brand biography

The manipulation check of underdog brand biography was assessed by having respondents rate whether the ad contained an obvious underdog brand biography on a 7-point scale anchored by 1 = *extremely disagree* and 7 = *extremely agree*. As expected, an independent samples *t*-test revealed that the perceived explicit underdog brand biography and the perceived implicit underdog brand biography differed significantly ( $M_{\text{explicit}} = 4.85$ ,  $M_{\text{implicit}} = 2.73$ ,  $t(216) = -20.30$ ,  $p = 0.00 < 0.01$ ), implying that the ad accompanied with explicit underdog brand biography and the ad accompanied with implicit underdog brand biography were regarded as being different. Therefore, the manipulation of underdog brand biography was successful.

### Manipulation check of brand status

The manipulation check of brand status was assessed by having respondents rate whether BGW in the ad was a recently launched bank on a 7-point scale anchored by 1 = *extremely disagree* and 7 = *extremely agree*. As expected, an independent samples *t*-test revealed that the perceived valences for BGW (emerging bank vs. established bank) differed significantly ( $M_{\text{emerging}} = 4.85$ ,  $M_{\text{established}} = 2.68$ ,  $t(216) = 16.88$ ,  $p = 0.00 < 0.01$ ), implying that the emerging and the established expressions were regarded as being different. Therefore, the manipulation of brand status was successful.

### Measurement of brand preferences

Brand preferences were measured with three 7-point scales anchored by “I am interested in trying another bank’s financial services,” “My favorite bank performs better than all other banks,” and “This bank is the finest for me” (Hellier *et al.*, 2003). The Cronbach’s  $\alpha$  value was .84, which indicates an acceptable internal consistency. Therefore, those scales were summed to form a single brand preference measure.

### Hypothesis testing

The simple interaction effect of underdog disposition  $\times$  underdog brand biography on brand preferences ( $F(1, 214) = 95.14$ ,  $p = 0.00 < 0.01$ ,  $\eta_p^2 = 0.308$ ; see Table 1) reached the significance level, implying that the underdog disposition effect on brand preferences was subject to the explicitness of brand biography. The follow-up independent samples  $t$ -test for the brand preferences revealed that strong underdog disposition consumers are likely to engender stronger brand preferences for brands accompanied with explicit underdog brand biographies than those with implicit underdog brand biographies ( $M_{\text{explicit}} = 4.93$ ,  $M_{\text{implicit}} = 3.48$ ,  $t(107) = -18.36$ ,  $p = 0.00 < 0.01$ ; see Table 2 and Figure 1). On the contrary, consumers with weak underdog disposition are likely to engender no differential brand preferences for brands accompanied with implicit underdog brand biographies over those with explicit underdog brand biographies ( $M_{\text{explicit}} = 3.61$ ,  $M_{\text{implicit}} = 3.88$ ,  $t(107) = 1.74$ ,  $p = 0.09 > 0.05$ ; see Table 2 and Figure 1). Therefore,  $H_1$  was supported.

The simple interaction effect of underdog disposition  $\times$  brand status on brand preferences ( $F(1, 214) = 18.48$ ,  $p = 0.00 < 0.01$ ,  $\eta_p^2 = 0.079$ ; see Table 3) reached the significance level, implying that the underdog disposition effect on brand preferences was subject to brand status. The follow-up independent samples  $t$ -test for the brand preferences revealed that consumers with strong underdog disposition engender no differential brand preferences for emerging brands over established brands ( $M_{\text{emerging brands}} = 4.11$ ,  $M_{\text{established brands}} = 4.32$ ,  $t(107) = -1.321$ ,  $p = 0.19 > 0.05$ ; see Table 4 and Figure 2). In contrast, consumers with weak underdog

Table 1. Univariate analysis of the effects of underdog disposition and underdog brand biography on brand preferences

Source of variance	$F$	$p$	$\eta_p^2$
Underdog disposition $\times$ underdog brand biography	95.14	0.00	0.308
Underdog disposition	27.53	0.00	0.114
Underdog brand biography	44.19	0.00	0.171

Table 2. Dependent measure across underdog disposition  $\times$  underdog brand biography conditions

Brand preferences	Weak underdog disposition		Strong underdog disposition	
	Implicit underdog brand biography	Explicit underdog brand biography	Implicit underdog brand biography	Explicit underdog brand biography
Mean	3.88	3.61	3.48	4.93
SD	0.80	0.84	0.39	0.43
$t$		1.74		-18.36
$p$		0.09		0.00

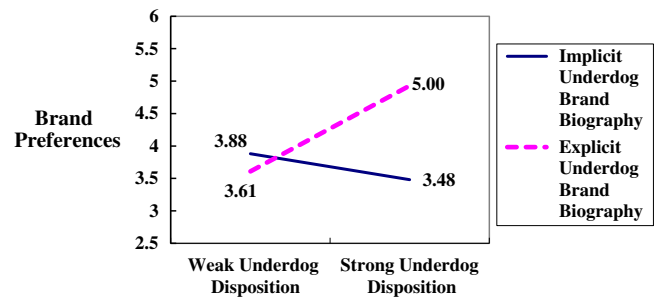


Figure 1. Interactions of underdog disposition  $\times$  underdog brand biography on brand preferences. This figure is available in colour online at [wileyonlinelibrary.com/journal/cb](http://wileyonlinelibrary.com/journal/cb)

Table 3. Univariate analysis of the effects of underdog disposition and brand status on brand preferences

Source of variance	$F$	$p$	$\eta_p^2$
Underdog disposition $\times$ brand status	18.48	0.00	0.079
Underdog disposition	21.26	0.00	0.090
Brand status	40.92	0.00	0.161

Table 4. Dependent measure across underdog disposition  $\times$  brand status conditions

Brand preferences	Weak underdog disposition		Strong underdog disposition	
	EmB	EsB	EmB	EsB
Mean	3.21	4.28	4.11	4.32
SD	0.54	0.72	0.81	0.85
$t$		-8.79		-1.32
$p$		0.000		0.189

Note: EmB denotes the emerging brands, and EsB denotes the established brands.

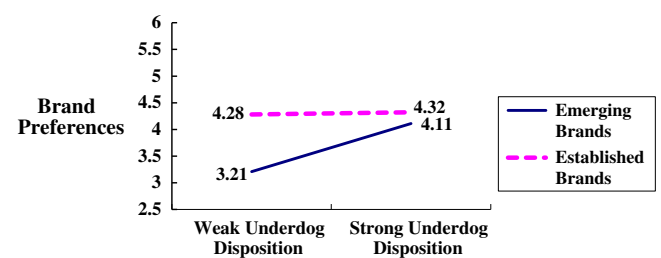


Figure 2. Interactions of underdog disposition  $\times$  brand status on brand preferences. This figure is available in colour online at [wileyonlinelibrary.com/journal/cb](http://wileyonlinelibrary.com/journal/cb)



disposition are likely to engender stronger brand preferences for established brands than emerging brands ( $M_{\text{emerging brands}}=3.21$ ,  $M_{\text{established brands}}=4.28$ ,  $t(107)=-8.79$ ,  $p=0.00<0.01$ ; see Table 4 and Figure 2). Therefore,  $H_2$  was partially supported.

For consumers with strong underdog disposition, the simple interaction effect of underdog brand biography  $\times$  brand status on brand preferences ( $F(1, 105)=0.903$ ,  $p=0.344>0.05$ ,  $\eta_p^2=0.009$ ; see Table 5) failed to reach the significance level. The follow-up ANOVA revealed that consumers with strong underdog disposition are likely to engender stronger brand preferences for established brands accompanied with explicit underdog brand biographies than emerging brands accompanied with explicit underdog brand biographies ( $M_{\text{established/explicit}}=5.06$ ,  $M_{\text{emerging/explicit}}=4.79$ ,  $F(1, 54)=5.78$ ,  $p=0.02<0.05$ ; see Table 6 and Figure 3).  $H_3$  was accordingly supported.

However, results indicated that consumers with strong underdog disposition are likely to engender no differential brand preferences for emerging brands accompanied with implicit underdog brand biographies over established brands accompanied with implicit underdog brand biographies

Table 5. Univariate analysis of the effects of underdog brand biography and brand status on brand preferences (under the situation of strong underdog disposition)

Source of variance	<i>F</i>	<i>p</i>	$\eta_p^2$
Underdog brand biography $\times$ brand status	0.90	0.34	0.009
Underdog brand biography	353.11	0.00	0.771
Brand status	6.54	0.01	0.059

Table 6. Dependent measure across underdog disposition  $\times$  underdog brand biography  $\times$  brand status conditions

Brand preferences	Weak underdog disposition				Strong underdog disposition			
	Implicit		Explicit		Implicit		Explicit	
	EmB	EsB	EmB	EsB	EmB	EsB	EmB	EsB
Mean	3.38	4.40	3.04	4.17	3.42	3.54	4.79	5.06
SD	0.48	0.75	0.55	0.69	0.44	0.32	0.41	0.43
<i>F</i>	35.96		44.93		1.39		5.78	
<i>p</i>	0.00		0.00		0.24		0.02	

Note: EmB denotes the emerging brands, and EsB denotes the established brands.

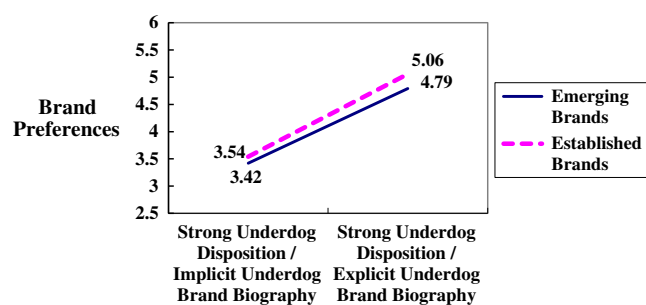


Figure 3. Interactions of strong underdog disposition  $\times$  underdog brand biography  $\times$  brand status on brand preferences. This figure is available in colour online at [wileyonlinelibrary.com/journal/cb](http://wileyonlinelibrary.com/journal/cb)

( $M_{\text{established/implicit}}=3.54$ ,  $M_{\text{emerging/implicit}}=3.42$ ,  $F(1, 53)=1.39$ ,  $p=0.24>0.05$ ; see Table 6 and Figure 3).  $H_4$  was accordingly supported.

For consumers with weak underdog disposition, the simple interaction effect of underdog brand biography  $\times$  brand status on brand preferences ( $F(1, 105)=0.26$ ,  $p=0.61>0.05$ ,  $\eta_p^2=0.002$ ; see Table 7) reached the significance level, implying that for weak underdog disposition consumers, the underdog brand biography effect on brand preferences was subject to brand status. The follow-up ANOVA revealed that consumers with weak underdog disposition are likely to engender stronger brand preferences for established brands accompanied with implicit underdog brand biographies than emerging brands accompanied with implicit underdog brand biographies ( $M_{\text{established/implicit}}=4.40$ ,  $M_{\text{emerging/implicit}}=3.38$ ,  $F(1, 54)=35.96$ ,  $p=0.00<0.01$ ). Similarly, consumers with weak underdog disposition are likely to engender stronger brand preferences for established brands accompanied with explicit underdog brand biographies than emerging brands accompanied with explicit underdog brand biographies ( $M_{\text{established/explicit}}=4.17$ ,  $M_{\text{emerging/explicit}}=3.04$ ,  $F(1, 53)=44.93$ ,  $p=0.00<0.01$ ; see Table 6 and Figure 4).  $H_5$  was accordingly supported.

## DISCUSSION

### Research findings

This research hypothesized that consumers with strong underdog disposition are likely to engender stronger brand preferences for emerging brands rather than established brands; however, this proposition was not empirically supported. Nonetheless, the statistics showed that for consumers with strong underdog disposition, there are no differential brand preferences for emerging brands over established brands. It is generally acknowledged that established brands may have

Table 7. Univariate analysis of the effects of underdog brand biography and brand status on brand preferences (under the situation of weak underdog disposition)

Source of variance	<i>F</i>	<i>p</i>	$\eta_p^2$
Underdog brand biography $\times$ brand status	0.26	0.61	0.002
Underdog brand biography	5.59	0.02	0.051
Brand status	80.64	0.00	0.434

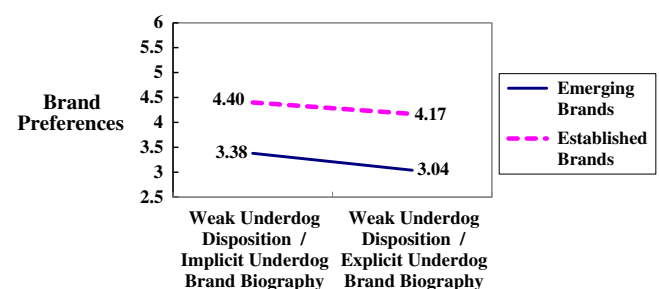


Figure 4. Interactions of weak underdog disposition  $\times$  underdog brand biography  $\times$  brand status on brand preferences. This figure is available in colour online at [wileyonlinelibrary.com/journal/cb](http://wileyonlinelibrary.com/journal/cb)

developed a high level of awareness and have the advantage of emerging brands in brand preferences; however, the research findings indicate that while the target market consists of consumers with strong underdog disposition, emerging brands attain no weaker brand preferences than established brands.

This research concludes that the effects of segmentation strategy (consumers with weak vs. strong underdog brand disposition) and explicitness of underdog brand biographies are not strong enough to switch the emerging brands' disadvantages to advantages of brand preferences; however, under the condition of consumers with strong underdog disposition/implicit underdog brand biography, the brand preferences of emerging brands and established brands proved no difference. That is, consumers' underdog disposition and explicitness of underdog brand biographies are expected to narrow the gap of brand preferences between emerging brands and established brands.

### Theoretical contribution

This research differs from the prior research in three main respects, which contribute to consumer psychology literature. First, from an academic perspective, theoretical understanding of the effects of consumers' underdog disposition is promising but underdeveloped. This research successfully links consumers' underdog disposition with the explicitness of underdog brand biography and examines their interaction effects on the brand preferences of emerging brands and established brands.

Second, underdog effect is a brand-new concept, which was first introduced in consumer psychology literature by Parahia *et al.*, (2011). Paharia *et al.*, (2011) concluded that the underdog brand biography effect is driven by identity mechanisms. Specifically, Paharia *et al.*, (2011) argued that the underdog brand biography effect is stronger when consumers identify themselves as underdog, as well as when consumers purchase for themselves than for others. This research further examines how the explicitness of underdog brand biography interacts with brand status and consumers' underdog disposition, and contributes to broaden the horizon of underdog brand biography in marketing literature.

At last, established brands are generally viewed as more dominant than emerging brands over consumer preferences. For example, as compared with emerging brands, established brands are receiving greater confidence in quality, even if specific attributes might be inferior to those of recently launched brands (Muthukrishnan *et al.*, 2009). However, Janssens and De Pelsmacker (2005) argued that media context and ad type moderate consumers' responses for the established and emerging brands. Clearly, a positive emotional context can lead to more positive responses toward the established brand than for the emerging brand; on the contrary, a non-emotional context can lead to more positive responses for the emerging brand than for the established brand. Findings of this research further addressed that emerging brands are able to mitigate the weaknesses in brand preferences by concentrating on consumers with strong underdog disposition. Specifically, emerging brands are not congenitally vulnerable to compete with established brands, provided that advertisers can devise and conduct an effective segmentation strategy.

### Practical implications

Findings of this research suggest that the underdog brand biography effect can be moderated by both internal (i.e., consumers' underdog disposition) and external factors (i.e., brand status), which implies that advertisers are advised to adopt a brand biography strategy together with other marketing stimuli or market segmentation. The results of H<sub>1</sub> support the notion that while consumers with strong underdog disposition consumers are likely to engender stronger brand preferences for ads accompanied with explicit underdog brand biographies than those with implicit underdog brand biographies, consumers with weak underdog disposition are likely to engender no differential brand preferences for ads accompanied with implicit underdog brand biographies over those explicit underdog brand biographies. In practice, for the target market consisting of consumers with strong underdog disposition, advertisers are encouraged to conduct the strategy of underdog brand biography, highlighting how the brand overcame the odds and reached success. In contrast, advertisers are suggested to apply other marketing strategies to pinpoint the consumers with weak underdog disposition.

The results of H<sub>2</sub> do not support the notion that consumers with strong underdog disposition are likely to engender stronger brand preferences for emerging brands than established brands. However, the notion that consumers with weak underdog disposition are likely to engender stronger brand preferences for established brands than emerging brands is empirically supported. Advertisers are encouraged to highlight the vigor of the advocated new brands for consumers with strong underdog disposition to narrow the preference gap between themselves and established brands. Instead, for consumers with weak underdog disposition, advertisers are advised to highlight the experience of the advocated established brand to attain strong brand preferences.

The results of H<sub>3</sub> support the notion that consumers with strong underdog disposition are likely to generate stronger brand preferences for established brands accompanied with explicit underdog brand biographies than emerging brands accompanied with explicit underdog brand biographies. In practice, established brands are encouraged to apply the strategy of explicit underdog brand biography, concentrating on the past odds they overcame and the current success they have for targeting consumers with strong underdog disposition. On the contrary, emerging brands are suggested to "pale" their underdog brand biographies and highlight their vigor and aggressiveness to gain the brand preferences of consumers with strong underdog disposition.

In contrast, the results of H<sub>4</sub> support the notion that consumers with strong underdog disposition are likely to engender no differential brand preferences for emerging brands accompanied with implicit underdog brand biographies over established brands accompanied with implicit underdog brand biographies. It is speculated that the strength of implicit underdog brand biographies may be not strong enough to evoke the empathy of consumers with a strong underdog disposition; therefore, either emerging or established brands are advised to seek other marketing or segmentation strategies for eliciting brand preferences of consumers with a strong underdog disposition.



At last, the results of H<sub>5</sub> support the notion that consumers with a weak underdog disposition are likely to engender stronger brand preferences for established brands than emerging brands, regardless of the explicitness of underdog brand biography. In a nutshell, consumers with a weak underdog disposition tend to evaluate brands based on the brands' current success and neglect their origins. Therefore, for the market consisting of consumers with weak underdog disposition, established brands rather than emerging brands are suggested to focus on their current market status and successes in their ads and leave the strategy of underdog brand biographies aside.

## LIMITATIONS AND FUTURE RESEARCH

This research contributes to the knowledge base of advertising psychology and proposes some practical implications to advertising practitioners; however, some limitations need to be mentioned for future research. First, this research concludes that advertisers can apply the strategy of different explicitness of underdog brand biography (implicit vs. explicit) and brand status (emerging vs. established) for targeting consumers with differential extents of underdog disposition; however, it is a tough challenge for advertisers to distinguish from consumers with a differential underdog disposition (weak or strong) before an ad message strategy is devised. Second, even though this research concludes that the effect of an underdog brand biography may be strong for emerging brands, prospective customers are likely to gather attribute information and assessments of the established brands for further evaluation of the emerging brands. Evidently, emerging brands cannot neglect their attribute superiority and merely rely on the underdog branding strategy. In addition, advertisers are encouraged to seek other marketing strategies rather than the underdog brand biography strategy when the emerging brands become established. Finally, this research uses financial services as the experimental stimulus material; future research is expected to use tangible products to examine the external validity of this research.

## Appendix: THE UNDERDOG SCALE

### Factor 1: External disadvantage

1	I started from a disadvantaged position in meeting my goals compared to my peers.
2	There are more obstacles in the way of my success compared to others'.
3	I've had to struggle more than others to get to where I am in my life.
4	It was harder for me to get where I am today compared to others in my position.
5	I've often felt like I'm a minority trying to break in.
6	I feel that the odds are against me in pursuing my goals compared to my peers.
7	I often feel I have to compete with others who have more resources than me.
8	I often feel I have to fight against more discrimination compared to others.

(Continues)

## Appendix: (Continued)

### Factor 1: External disadvantage

9	Some people are jealous of me because of my privileged background. (R)
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### Factor 2: Passion and determination

1	I always stay determined even when I lose.
2	I show more resilience than others in the face of adversity.
3	Compared to others I am more passionate about my goals.
4	When others expect me to fail I do not quit.
5	Compared to others I do not give up easily.
6	Even when I've failed I have not lost my hope.
7	Compared to others my dream is more important to the meaning of my life.
8	I fight harder compared to others to succeed when there are obstacles in my way.
9	When I encounter obstacles I usually quit. (R)

Note: (R) denotes reverse coding items.

Source: Parahia et al. (2011). The underdog effect: the marketing of disadvantage and determination through brand biography. *Journal of Consumer Research* 37: 775–790.

## BIOGRAPHICAL NOTE

Danny Tengti Kao is a professor of consumer psychology at the National Hsinchu University of Education, Taiwan, and is also a visiting professor of the School of Finance and Economics at Xi'an JiaoTong University, China. His research interests cover branding strategy and consumer behavior. Professor Kao has published over 15 articles on leading SSCI journals, such as *Journal of Economic Psychology*, *Judgment and Decision Making*, *International Journal of Psychology*, and *Journal of Applied Social Psychology*.

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