



Consumer Psychology: the Effect of in-Group
Brand Failure Leads out-Group Product
Derogation

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FAILURE LEADS OUT-GROUP PRODUCT DEROGATION**

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ABSTRACT:

This study is all about the combination of “when” and “how”, the consumers attitude towards product and their word-of-mouth behaviour, besides the impact of negative information about a brand which is related with the social group. We identified that, when there is a negative information about a in group brand it effects the group members social identity and it leads to derogation of out group product. To be note, communication of a negative information make-up one’s mind and gives warning to social identify. On the other hand, out group product derogation effect is observed only when the negative information comes from the out group sources. Finally, we concluded with proposed process by providing group statement of out group product derogation which we have found.

KEYWORDS: social identify, brand failure, out group derogation.

INTRODUCTION:

In the trade, there are negative information about consumer brand, by experiencing some crisis. For example; Volkswagen, Wells Fargo, uber have all been undergone negative discussion. Here, the question is how come consumers aware about these brands, whether they related to their social group, to react such negative information? How do they discuss other product in common trade?

Which is not all related to their social circle. To give awareness to these questions, this study is all about the combination of “when” and “how”, the consumers attitude towards product and their word-of-mouth behaviour, besides the impact of negative information about a brand which is related with the social group.

When there is a negative information about a in group brand, that affects the in group consumers to derogate product which is unrelated to out group. Here, the product is related to out group, but not related brand. So the brand is crisis. When they recognise the warning to their social identity. When there is negative information about the in group brand comes from out group member, its seem as warning to social identity and this effect in group consumer to derogated out group products, finally we justified, the awareness to social identity by providing group statement with occurring out group product derogation.

In current research there are two consequences identified. First, the negative information about an in group brand affect the out group product derogation, which is not directly related though, the brand is crisis. Consumers attitude change towards particular brand in crisis, this was found in previous research, ([Ahluwalia, Burnkrant, & Unnava, 2000 Swaminathan, Page, & Gurhan Canli, 2007](#)) have shown a effect of negative brand information.

Particularly, when the negative information of in group consumer received by their in group brand from out group source, the derogate out group product, this is by cultivate the negative attitude and word of mouth behaviour. But there will change in the attitude towards their in group product. On the other hand, the same information received from in group source, they devalue their in group product rather then out group product derogation.

Second, we identified that warning to the consumers social identity that determine this out group product derogation, this is an important contribution to the literature. ([Cheng, White, & Chaplin, 2012](#)), Previous research shown that the

effect of negative information on self-identity, though consumer strongly identifies the brand.

REVIEW OF LITERATURE:

consumer psychology of brands

This study represents consumer psychology of brands, which combine the actual knowledge with brand category with an empirical framework. There are three levels of consumer engagement the first object oriented, second self-oriented and third social oriented. ([panel, Bernd Schmitt, 2012](#)) There are five processes starting with identifying, experiencing, combining, signifying and last connecting.

This study concludes by providing ideas to test the model by using two methods, that is standard methods and consumer neuroscience method.

Branding with brain

Marketing with brain science, here they have identified a critical issue of pervious research and elaborated how to deal with these issues, by providing an overview of current and previous research in this area and explains why researchers are excited about applying brain science with consumer psychology of brands. ([hilke plassmann, Thomas zoege ramsoy, milica, 2012](#)). Finally conclude by providing future potential of research with intersection of brain science and consumer psychology.

Branding research and practice

Branding research and practice providing an absolute theories framework to understand the consumer behaviour. Area of branding practitioners explores application relevance to brand advertising, brand extensions and more. ([Derorah Roedeer john, 2016](#)) Here the discussion is about how mindsets can affects the

consumers derive from using brands self enhancement and by overcoming difficult challenges in their lives.

Consumer preferences and social identity threat

Often marketers link brand with consumer social identity, the current research illustrates that brand link may lead negative consequences. Consumers are stimulated to protect and maintain feelings of individual self-worth alter to avoid a threatened aspect of their social identity. ([Katherine White, 2009](#)) Only when the consumer feels positive about the self-affirmation, the effect with the self-esteem will reduce. Finally, concluded with the differences in the use of social identity as a resource effects.

When consumer avoid arrogant brands

Only when consumer avoid arrogant brands they have multifaceted influence with consumers. When the brand as reflected with high status and quality they are treated as arrogant brand and they make consumers to feel inferior. ([Nira Munichor, Yael Steinhart, 2016](#)) When the consumer experience with prior self-threat, that will be the reason to avoid brands. Finally, conclude with avoidance may help self-threatened consumers to restore their self-perceptions and to feel better about self-identity.

Conclusion

Today's consumers cannot be exaggerating the important of brand and product information. This study is all about the awareness of the negative brand information, can play main role in consumer behaviour outcomes. Importantly, the study find that negative brand information related to one's in group is related by an out group. The out group product derogation display's indirect form, but also in an direct aggressive form. Finally, study justified that social identity can determine the effect through group statement by negative outcomes we identify,

the future research can expand the opportunity of how brands can relate with different types of social identity.

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