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How Brand Empowerment Strategies Affect Consumer Behavior: From A Psychological Ownership Perspective

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To the Graduate Council:

I am submitting herewith a dissertation written by Songyee Hur entitled "How Brand Empowerment Strategies Affect Consumer Behavior: From A Psychological Ownership Perspective." I have examined the final electronic copy of this dissertation for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy, with a major in Retail, Hospitality, and Tourism Management.

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How Brand Empowerment Strategies Affect Consumer Behavior: From A Psychological Ownership Perspective

A Dissertation Presented for the
Doctor of Philosophy
Degree
The University of Tennessee, Knoxville

Songyee Hur
May 2019

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DEDICATION

I would like to dedicate this dissertation to my beloved mother, Park and father, Heo for making me be who I am, and for their unconditional patience, love and support.

사랑하는 부모님께 이 논문을 바칩니다.

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ABSTRACT

Companies are increasingly incorporating empowerment into their brand websites (e.g., IKEA's "Ideas" website), as a strategy to create a competitive advantage. Despite its growing popularity, research on empowerment strategy is at a nascent stage; many issues remain unaddressed. The current research develops a framework to explain how empowerment strategies produce favorable outcomes (i.e., customer evaluation of the end product). Specifically, this dissertation examines (a) how different empowerment strategies (i.e., empowerment-to-create, empowerment-to-select, non-empowerment) have varying effects on consumer responses; (b) how a contextual factor (brand type) moderates the effects of empowerment strategies on consumer responses; (c) how an individual factor (self-brand connection) as a moderator affects interactions between empowerment strategies, brand type and consumer responses; and (d) whether psychological ownership mediates the effectiveness of empowerment strategies. Two experimental studies test the hypotheses.

Study 1 shows that the higher the level of empowerment in an empowerment strategy, the more favorable the responses to the strategy. That is, the empowerment-to-create strategy was most effective in increasing product attitude and perceived product quality compared to empowerment-to-select, followed by non-empowerment strategies. Further, empowerment strategies increase product attitude and perceived product quality by heightening a sense of ownership of the product, confirming psychological ownership as a mediator in the empowerment strategy effect.

Study 2 shows that the relationship between empowerment strategies and product attitude is moderated by fashion brand type (luxury vs. mass-market). For a luxury brand, an empowerment-to-create strategy led to greater product attitude values than empowerment-to-select, followed by non-empowerment strategies. However, the brand type did not moderate the relationship between empowerment strategies and perceived product quality. The self-brand connection also did not moderate the interactive relationship between empowerment strategies and product attitudes and perceived product quality.

This study contributes to the empowerment strategy literature and psychological ownership theory by elucidating how a brand's empowerment strategy affects consumer product evaluation within the product development process. This study offers practical solutions for retailers to enable them to translate consumer needs into actionable product engagements within their marketing programs.

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CHAPTER 1

INTRODUCTION AND GENERAL INFORMATION

In the age of experience economy, the need for brands to engage with their customers has never been greater. Today's customers are proactive, looking for brands that listen, embrace, and deliver their precise requirements through blended experience. These customers are seeking collaboration and a greater role in exchanges with brands (Hoyer, Chandy, Dorotic, Krafft, & Singh, 2010; Kaulio, 1998). They make an effort to add or share their ideas to brands so they can provide input on design and marketing (Ciccantelli & Magidson, 1993). One important part of the experience economy is to provide consumers with a sense of *empowerment*, which is achieved by shifting the traditional power imbalance between brands and consumers (Denegri-Knott, Zwick, & Schroeder, 2006; Shaw, Newholm, & Dickinson, 2006). In the context of the product development and design phrases, the term *empowerment* refers to granting consumers the ability to exercise their power over the product experience; it is about providing a service that allows a customer to co-construct the product experience to express their individuality and suit their contexts (Cutler & Nye, 2000; Fuchs & Schreier, 2011).

Empowering consumers is a key enterprise strategy for brands to create and sustain a competitive advantage (Yuksel, Milne, & Miller, 2016). An empowerment strategy, one that a brand uses to give consumers a sense of control over its product experiences and offerings (Fuchs, Prandelli, & Schreier, 2010), directly affects product evaluations. According to Bulbshare's Exclusive Co-creation Survey (2018), 86% of those among 300 brand/company representatives and over 500 consumer panelists

indicated that brands that co-create are more trustworthy; 81% of respondents reported that brands that collaborate with their customers are more authentic.

Empowerment strategy is no longer a recent phenomenon. A widespread interest in empowerment strategy has been embraced by both gigantic companies and small brands as a way to increase sales and revenue. As exemplified by IKEA's "Product ideas" LEGO® website "LEGO Ideas", brands provide a digital platform to co-design products and innovations with customers. The fashion retail industry is no exception. A pioneering example is Threadless, an online crowdsourcing retailer, which developed a business model in which consumers as artists, designers, or product developers submit designs to contests, participate in the brand's social network sites as advocates, and promote the company to friends. Conventional high-end retailers have also taken their turn with the empowerment strategy. In partnership with Fendi, Bergdorf Goodman launched a Facebook contest in which consumers selected and submitted colors and voted for a signature Fendi bag.

The effectiveness of empowerment strategies on empowerment outcomes is an important issue that has generated a considerable body of research. Consumer researchers and marketers have attempted to understand the advantages of using empowerment strategy for brands and consumers. For brands, an empowerment strategy can build a stronger connection with their customers and help them to understand specific customer needs, while developing better products at lower cost simultaneously with less risk of failure (Dahan & Hauser, 2002; Fuchs & Schreier, 2011). Consumer benefits also are apparent in that empowerment strategies support shoppers psychologically (Åkestam,

Rosengren, & Dahlen, 2017; Harrison & Waite, 2015; Spark, Bradley, & Callan, 1997). For example, the chance to co-design a product can make consumers feel powerful, empowered, and psychologically bonded to the product (Fuchs & Schreier, 2011; Sembada, 2018). These positive consequences, in turn, have a positive impact on the business performance as measured by product demand and engagement intention (Dahan & Hauser, 2002; Fuchs & Schreier, 2011).

After focusing on the positive effects of empowerment strategies on business performance, recent marketing research concentrated efforts on understanding the value of different empowerment strategies. In the new product development process, Fuchs and Schreier (2011) argued that degrees of empowerment strategy range from high to zero: a consumer chance to create (a high level of participation/empowerment) or select (limited level of participation/empowerment) concepts and/or designs for final products, or zero chance to create/modify or select the final products. Bachouche and Sabri (2017) further identified that empowerment effectiveness increases as the level of consumer empowerment/participation increases. However, there is also support for the idea that under certain circumstances, empowerment effectiveness decreases. Several researchers identified factors that moderate the relationship between empowerment strategies and empowerment outcomes. These include situational factors that influence empowerment effectiveness, including brand familiarity (Bachouche & Sabri, 2017) and individual characteristics such as self-efficacy (Fuchs et al., 2010). Surprisingly, there is a paucity of research investigating possible moderators of empowerment effectiveness in consumer market contexts.

This paper aims to address this issue by exploring the role of retail brands' empowerment strategies in the area of the new product development process. The empowerment theory asserts the positive role of one's autonomy in an activity (Denegri-Knott et al., 2006), and this notion enables the current study to predict the role of consumer participation in an empowerment strategy for product development. On the basis of empowerment theory and building on prior research, this research argues that different types of empowerment strategies have varying impacts on empowerment outcomes. Three types of empowerment strategies are examined: (1) empowerment-to-create strategy, the highest level of empowerment, which asks customers to submit ideas/designs for new products that have not yet been met by the market or might improve on existing offerings from the company; (2) empowerment-to-select strategy, the limited level of empowerment, which asks customers to vote on which of their favorite ideas/products should be marketed among alternatives, and (3) non-empowerment strategy/zero empowerment, which concerns a traditional product development practice in which customers have no chance to either create or select final products.

Further, this study examines whether empowerment strategy can be equally effective depending on the brand type. Empirical evidence from a retail marketing research shows that designs created by users reduced consumer demand for a luxury fashion brand because consumers perceived the product to lack the expected expertise, such as design quality, as well as promoting less agentic feelings (e.g., feeling superior to others) (e.g., Fuchs, Prandelli, Schreier, & Dahl, 2013). This finding implies that brand type may moderate the empowerment strategy and empowerment outcomes. Thus, this

study focuses on brand type as a situational factor, and two fashion brand types are examined: luxury (highest quality and price in the market, with an aspirational image) and mass-market (inexpensive, with a reasonable level of quality) brands. This study proposes that the positive effect of empowerment strategies on empowerment outcomes (product attitude, perceived product quality) increases for luxury brands (versus mass-market brands). This argument is based on the power concept (Kapferer, 2012; Okonkwo, 2009).

To better capture the effectiveness of empowerment strategy, a specific individual characteristic is also examined. The individual characteristic of focus is self-brand connection. Self-brand connection refers to the strength of the tie between a focal brand and a consumer's self-image (Escalas, 2004; Escalas & Bettman, 2003; Ferraro, Kirmani, & Matherly, 2013). Individuals with high self-brand connection refers to those having a strong tie to a certain brand. In contrast, those with low self-brand connection tend to associate themselves with the particular brand to a lesser degree. When consumers discover brand attributes that help them cultivate and express their identities, their self-brand connection becomes stronger (Escalas & Bettman, 2003; Kemp, Childers, & Williams, 2012). Consequently, strong self-brand connection results in positive consequences to brands and product evaluation (Dolich, 1969; Kemp et al., 2012; Kressmann, Sirgy, & Herrmann, 2006). Although self-brand connection appears to be a good determinant of brand and product outcomes, prior research (Ferraro et al., 2013) suggests that this variable is also able to moderate the relationship between luxury brand usage and consumer brand attitude. Subsequently, this study focuses on the moderating

role of self-brand connection.

Moreover, insight into the psychological process consumers encounter during their interaction with an empowerment strategy can lead to a better understanding of the effectiveness of empowerment strategies. When consumers are asked to create a new product, they have authority over the given product creation process, and such authority can facilitate their feeling that “the new product is mine.” This proposition can be explained by the view of psychological ownership theory (Jussila et al., 2015; Pierce, Kostova, & Dirks, 2001). The crux of psychological ownership theory is that a psychological bond with a target object has important psychological, attitudinal, and behavioral effects. The theory has been widely used to explain why psychological ownership occurs and how it affects human attitudes and behaviors. Fuchs et al. (2013) argued that empowerment strategy evokes psychological ownership, and the enhanced psychological ownership increases the perception of the value of objects (Strahilevitz & Loewenstein, 1998), product quality assessments (Peck & Childers, 2003), and attitudinal and behavioral effects (Lessard-Bonaventure & Chebat, 2015). Thus, this dissertation proposes that one’s perception of psychological ownership is a key underlying mechanism in the formulation of empowerment strategy performance.

Problem Statement

Despite the popularity of empowerment strategies in practice, research on empowerment strategy in the context of the product development process is still in its infancy and many aspects are not well understood. Despite a plethora of research that has

examined the effects of empowerment strategies on various performance outcomes, comparisons among empowerment strategies with different forms (e.g., empowerment-to-create and empowerment-to-select) have not received much attention (Bachouche & Sabri, 2017). A research question has been raised: does the degree of empowerment strategy significantly influence empowerment outcomes (i.e., product attitude and perceived product quality), and if so, how?

Second, consumer responses to empowerment marketing strategies may vary depending on situational factors. Recent research (Bachouche & Sabri, 2017) has focused on the brand context, with the goal of understanding how brand familiarity influences the effectiveness of empowerment strategy. However, it remains unclear whether, and in what ways, the effectiveness of empowerment strategies works differently by the type of brand (e.g., luxury or mass-market). Accordingly, the current study addresses a question: which types of empowerment strategies are more influential for which brand type?

Furthermore, since prior work has documented that individual characteristics serve as a boundary condition that could moderate the effects of empowerment strategy, the focus so far has been primarily on self-efficacy and effectance (e.g., Fuchs et al., 2010; Peck & Shu, 2009). There may be other individual traits that play a critical role in empowerment strategy phenomena, but have not been examined yet. This study focuses on how a self-brand connection affects empowerment outcomes.

Purpose of the Study

The primary objective of this dissertation is to explore the role of empowerment strategies in a fashion brand's product development process. To do so, the goal of this dissertation is to develop a framework explaining how the varying levels of empowerment strategy (i.e., empowerment-to-create, empowerment-to-select, and non-empowerment) influence consumers to formulate an attitude and evaluate the product in an online store environment. This study also explores how consumer responses to empowerment strategies vary across different markets and individuals. A brand type (luxury vs. mass-market) is introduced as a market variable, and a person's self-brand connection (the overlap between the consumer's self and the brand) is explored as a consumer trait. Both are expected to influence consumers' product attitude and perceived product quality. In addition, this study investigated a mechanism underlying (a) the relationship between empowerment strategies and empowerment outcomes, (b) the interactive relationship between empowerment strategies and brand types, and (c) the relationship among empowerment strategies, brand type, and self-brand connection by demonstrating that psychological ownership as a potential mediator can significantly contribute to empowerment outcome.

Based on the literature review and the theoretical underpinnings that will be presented in Chapter 2, this study aims to investigate:

1. the way in which different empowerment strategies affect consumer responses as measured by product attitude and perceived product quality;
2. if, and in what way, brand type moderates the relationship between

- empowerment strategies and consumer responses;
3. if, and in what way, self-brand connection moderates the interactive effects of empowerment strategies and product attitude and perceived product quality; and
 4. whether psychological ownership mediates the effectiveness of empowerment strategies.

Definition of Terms

The conceptual definitions of terms relevant to this study are as follows.

Empowerment: “an international ongoing process centered in the local community involving mutual respect, critical reflection, caring and group participation, through which people lacking an equal share of valued resources gain greater access to and control over those resources” (Cornell Empowerment Group, 1989, p. 2).

Empowerment strategy: “a strategy that firms use to give consumers a sense of control over its product selection process, allowing them to collectively select the final products that the company will later sell to the broader market” (Fuchs et al., 2010, p. 66).

Empowerment-to-create: a tactic asking customers to submit ideas for new products with the understanding that the final product will be chosen by other customers.

Empowerment-to-select: a tactic asking customers to vote on which products should be marketed with the understanding that the products they are selecting were designed by other customers.

Non-empowerment: a baseline status like a traditional shopping environment where customers have only the option to buy or not, and the company creates and selects the final products.

Psychological ownership: a cognitive-affective state that describes an individual's feelings of attachment to and possessiveness toward a target (Pierce et al., 2001, 2003).

Product attitude: an individual's overall evaluation of an object, either negative or positive (Kamins & Marks, 1987).

Perceived product quality: the degree to which consumers perceive that a product or service meets their expectations (Reeves & Bednar, 1994).

Luxury brand: a brand characterized by "exclusivity, premium prices, image, and status, which combine to make them desirable for reasons other than function" (Jackson, 2004, p. 158).

Mass-market brand: a brand characterized by being inexpensive or affordable, having a reasonable level of quality, and which may or may not fulfill consumers' non-functional desires (e.g., self-enhancement, role position, pleasure) (Fuchs et al., 2013; Lee, Motion, & Controy, 2009).

Self-brand connection: the strength of the tie between a focal brand and a consumer's self-concept (Escalas, 2004; Escalas & Bettman, 2003; Ferraro et al., 2013).

CHAPTER 2

LITERATURE REVIEW

This chapter builds the theoretical and conceptual foundations for this dissertation and is organized into three sections pertaining to (a) the concept of empowerment, (b) the theoretical framework, and (c) hypotheses development. The first section describes the concept of empowerment, discusses the role of empowerment strategies in consumer marketing contexts, and identifies limitations in the consumer empowerment strategy literature. The second section presents the theoretical framework for this dissertation, empowerment theory and psychological ownership theory, and relevant studies in the retail and consumer marketing literatures. In the last section, I develop research hypotheses that together form a model that explains how empowerment strategies affect consumers' product attitudes and perceptions of product quality.

Empowerment

The concept of empowerment is rooted in a range of traditions with different ideologies and underpinning assumptions, and has been widely discussed by scholars in various academic disciplines, including community development, healthcare, psychology, organizational management and marketing. As such, empowerment is a contested concept that assumes different definitions depending on the theoretical perspective, population and/or context (Conger & Kanungo, 1988; Harrison, Waite, & Hunter, 2006; Hur, 2006; Lincoln, Travers, Ackers, & Wilkinson, 2002; Starkey, 2003).

By nature, empowerment is conceived as a multidimensional social process that occurs in relation to others (Page & Czuba, 1999). Empowerment is generally defined as “an ongoing process centered in the local community involving mutual respect, critical reflection, caring and group participation, through which people lacking an equal share of valued resources gain greater access to and control over those resources” (Cornell Empowerment Group, 1989, p. 2). In simpler terms, and closely related to the idea of increased power (Cunningham, Hyman, & Baldry, 1996), empowerment refers to the ability to control aspects of one’s life and environment (Perkins & Zimmerman, 1995; Zimmerman, 1990).

On the other hand, some theorists argue that empowerment is both a process and an outcome (Spreitzer, Kizilos, & Nason, 1997; Thomas & Velthouse, 1990). This holistic view suggests that the concept of empowerment embraces not only the process that empowers structures, activities or interventions but also empowerment outcomes (Swift & Levin, 1987). In this vein, scholars define empowerment-as-process as the act of developing and implementing tactics to empower individuals, and empowerment-as-outcome as an affective state of empowerment wherein individuals feel that they have more control and greater understanding, and are actively involved in their surroundings and objects.

Empowerment Strategies

In consumer marketing contexts, empowerment most commonly occurs when power shifts from service/product providers (traditionally viewed as having power) to

customers (traditionally viewed as having no or low power) (Denegri-Knott et al., 2006; Shaw et al., 2006). Broadly speaking, a firm uses empowerment to create value for consumers, not only by providing additional information, facilitating access to products or services, providing education and increasing opportunities for commerce, but also by granting consumers the flexibility to specify and adjust their choices (Harrison & Waite, 2015). Customers gain power by taking control of a decision-making process that previously had been the exclusive domain of firms. Furthermore, this empowerment process is facilitated by internet technologies or collaborative management/services/marketing practices adopted by companies (Labrecque, Esche, Mathwick, Novak, & Hofacker, 2013; Pires, Stanton, & Rita, 2006). A marketing program built on the aforementioned concept is referred to as an empowerment strategy.

In the context of new product development, an empowerment strategy refers to “a strategy that firms use to give consumers a sense of control over its product selection process, allowing them to collectively select the final products that company will later sell to the broader market” (Fuchs et al., 2010, p. 66). The core idea is to accurately grasp customers’ needs and wants by directly involving them in the product design process (Füller, 2010).

Different types of empowerment strategy are suggested in the field of new product development process. According to Fuchs and Schreier (2011), four types of empowerment strategies exist depending on who creates new designs and who decides which designs will be produced: (a) full empowerment, (b) “create” empowerment, (c) “select” empowerment, and (d) no empowerment. The highest level of empowerment is

full empowerment, which occurs when a company grants consumers full control over product designs and decision making for final products. The next level involves a “create” empowerment (hereafter, empowerment-to-create) that enables consumers to design new products while the company retains decision-making authority over which designs are ultimately launched. Then, when customers have “select” empowerment (hereafter, empowerment-to-select) with empowerment lesser than the empowerment-to-create, the company designs products and consumers decide which ones will be launched. Lastly, no empowerment represents when customers do not have opportunities to participate in the product development process. The company creates the new product designs and decides which products to launch and consumers’ role is to make a choice among the given options at the point of purchase. As such, Fuchs and Schreier’s (2011) classification of empowerment strategy illustrates that as the degree of consumer involvement in co-creating increases, so does the level of empowerment.

Drawing on prior research (Fuchs & Schreier, 2011), this dissertation aims to compare performance of different empowerment strategies in the context of co-creation activities for new product development by focusing on three: empowerment-to-create, empowerment-to-select, and non-empowerment. It is not difficult to find marketing programs utilizing empowerment-to-create and empowerment-to-select options in the current marketplace. For example, Muji, a Japanese retail chain that sells apparel, household goods, and food products, offers an open customer co-design process via their Website (Muji.net). On the site, Muji attracts users to submit ideas for new products online (empowerment-to-create). Then, the brand selects the most marketable product

concepts among the customer ideas for customer co-design. During this product selection process, Muji also invites relevant customers to help flesh out the product idea, test different versions of the products, and offer suggestions and improvements to the product concept. Next, potential products are put to a public vote whether or not the resulting product should be produced (empowerment-to-select). If enough votes are obtained (a minimum of 300 pre-orders), Muji commercializes those products. Accordingly, these two empowerment strategies together with non-empowerment strategy are of focus in this dissertation.

Investigating empowerment strategy in the development of new product designs, this study defines an empowerment-to-create strategy as a marketing program with which customers submit ideas for new products with the understanding that the final product will be chosen by other customers. An empowerment-to-select strategy represents a program that customers vote on which products should be marketed with the understanding that the selected products were designed by other customers and would be in the market for sales. A non-empowerment condition represents that customers who have only the option to buy or not; the company creates and selects final products.

A Review of Literature on Empowerment Strategies in Consumer Marketing Contexts

An effective empowerment strategy can serve as an important antecedent in changing consumers' cognition, affect, attitudes and behavior. Given the recent categorization to different types of empower strategy, scholars in retail marketing literature have compared the relative effects between empowerment strategies and non-

empowerment strategy. Past studies have revealed that empowerment strategies yield a number of benefits for businesses (e.g., Fuchs et al., 2010) and customers (e.g., Van Dyke, Midha, & Nemati, 2007). Specifically, empowerment strategies as opposed to non-empowerment strategy increase product demand, product preference levels and brand attitudes (Fuchs & Schreier, 2011), as well as promote psychological benefits for consumers, such as feelings of empowerment (Hancer & George, 2003) and ownership to the product (e.g., Fuchs et al., 2010).

In a new product context, Fuchs et al. (2010) notes the superior effect of empowerment strategy. The authors compared empowerment-to-select, whereby participants were asked to evaluate 20 sample t-shirts offered by company and select five to be marketed, with no empowerment strategy, whereby participants were not allowed to select the t-shirt designs. The study found that participants in the empowerment-to-select exhibited higher product demand for new products (i.e., purchase intentions and willingness to pay) than those in the non-empowerment condition. They further revealed that positive effects of empowerment strategies on product demand are mediated by psychological ownership and moderated by high efficacy and competence. That is, empowerment strategies have stronger effects among consumers with high efficacy and competence than among consumers with low efficacy and competence.

More recently, in research studying the relative performance of empowerment strategies in the new product development, Bachouche and Sabri (2017) compared three empowerment strategies: (a) empowerment-to-create, (b) empowerment-to-select, and (c) non-empowerment. The authors manipulated empowerment-to-create by asking

consumers to submit recipes for a new cookie flavor, empowerment-to-select by asking consumers to select cookie flavors among several options created by the brand, and non-empowerment by exposing consumers to ads for new flavors of cookies introduced by the brand. Compared to the non-empowered consumer group, empowered consumer groups in the empowerment-to-create and empowerment-to-select conditions exhibited more favorable brand attitudes, word-of-mouth, engagement intentions and higher product demand. A comparison of the two empowered conditions revealed that consumers in the empowerment-to-create condition exhibited higher word-of-mouth and engagement intentions than those in the empowerment-to-select condition, with no differences in brand attitudes and product demand. In addition, the study demonstrated that brand familiarity moderates the relationship between empowerment strategy and empowerment outcomes. Specifically, the effectiveness of an empowerment strategy increases when brand familiarity is low, whereas the effectiveness of a non-empowerment strategy increases when brand familiarity is high.

While majority of studies in the domain of new product development focused on “empowered” consumers, research revealed that an empowerment strategy also affects the “periphery” (i.e., those who are aware of, but do not participate in customer empowerment initiatives). For instance, Fuchs and Schreier (2011) found that the periphery (non-participants) exhibited more favorable attitudes and behavioral intentions toward companies (t-shirts, furniture and bicycles) with empowerment-to-create and empowerment-to-select strategies than toward companies with non-empowerment

strategies. This finding shows how empowerment strategies are perceived in marketplace, especially to its favorable consequences to general consumers.

In summary, the literature in empowerment marketing suggests that empowerment strategies not only result in empowerment outcomes, but the different levels have varying levels of empowerment outcomes. In particular, higher level of participation is positively associated with favorable responses toward the strategy and the task. Lastly, a successful empowerment strategy requires a deep understanding of consumer traits and varies by conditions. Table 1 summarizes the empowerment strategy literature.

Limitations of Research on Empowerment Strategies

Although researchers consistently indicate that empowerment strategies are effective marketing tools, research efforts aimed at identifying their effectiveness in terms of consumer responses are still nascent. Thus far, scholars have focused primarily on identifying the effects of empowerment strategies on various empowerment outcomes. However, less is known about *how* and *when* an empowerment strategy fosters specific empowerment outcomes. Specifically, knowledge gaps exist in five areas.

First, a key need is to understand the underlying mechanism of empowerment strategies that leads to empowerment outcomes. In the empowerment marketing literature, researchers have highlighted the significant psychological benefits of empowerment strategies (e.g., perceived ownership) when discussing consumers' behavioral outcomes (e.g., Hancer & George, 2003; Sembada, 2018; Van Dyke et al.,

Table 1. Summary of the Empowerment Strategy Literature

Authors	Context	Theory	Study Design	Independent Variable	Mediator	Moderator	Dependent Variable	Findings
Fuchs et al. (2010)	New product development process	Empowerment theory	Experiment	Empowerment strategy	Psychological ownership	Perceived competence	Product demand (willingness to pay/purchase intentions)	<ul style="list-style-type: none"> • Empowerment strategy increases product demand • Psychological ownership mediates the relationship between empowerment strategy and product demand • Perceived competence moderates the relationship between empowerment strategy and product demand
Pashkevich et al. (2012)	Advertising		Experiment	Empowerment strategy (skippable ad)			Watching time	<ul style="list-style-type: none"> • The ability to freely skip in-stream ads (empowerment condition) increases consumers' ad watching time
Bachouche & Sabri (2017)	New product development process	Empowerment concept	Experiment	Empowerment strategy		Brand familiarity	Brand attitude, word-of-mouth, brand engagement, purchase intentions	<ul style="list-style-type: none"> • Empowerment strategy results in favorable empowerment outcomes • Empowerment strategy is more effective (more positive brand attitudes, word of mouth) when brand familiarity is low • Empowerment-to-create more effectively increases engagement intentions and word of mouth than empowerment-to-select

Table 1. Continued

Authors	Context	Theory	Study Design	Independent Variable	Mediator	Moderator	Dependent Variable	Findings
Hunter & Garnefeld (2008)	Consumer empowerment	Empowerment concept	Survey	Consumer empowerment	Consumer involvement	Firm's responsiveness to consumers/ firm's face-to-face contact	Satisfaction	<ul style="list-style-type: none"> • Consumer empowerment directly increases consumer satisfaction and indirectly influences satisfaction by increasing consumer involvement. The direct relationship is not influenced by two potential moderators, responsiveness to consumers and face-to-face contact with consumers
Van Dyke et al. (2007)	E-commerce		Survey	Perceived empowerment	Privacy concern		Trust	<ul style="list-style-type: none"> • Empowerment increases trust by decreasing privacy concerns
Fuchs & Schreier (2011)	New product development process		Experiment design	Empowerment strategy			Attitude towards company	<ul style="list-style-type: none"> • Empowerment strategy influences consumers in the periphery (i.e., those who are aware of, but do not participate in customer empowerment initiatives) to develop positive attitudes toward company

2007). However, they have largely neglected how cognitive or affective states mediate the relationship between empowerment strategies and consumer behavior. Only a handful of empirical studies have examined how the psychological state elicited by an empowerment strategy affects behavioral outcomes (e.g., Fuchs & Schreier, 2011).

For instance, Fuchs et al. (2010) underscored the importance of the psychological ownership that can be evoked by an empowerment strategy during the product development process. Additional investigations are required to determine exactly how this occurs.

Second, additional efforts are required to understand how different empowerment strategies affect empowerment outcomes. Casenave (2013) noted that few have compared the effectiveness of empowerment-to-create vs. empowerment-to-select. Consumers may behave differently when exposed to empowerment strategies with different levels of empowerment (Bachouche & Sabri-Zaaraoui, 2017). More empirical tests are needed to identify the empowerment strategy that maximizes empowerment outcomes.

Third, there is limited insight into any context-related boundary conditions associated with empowerment strategies. Despite the importance of knowing the circumstances under which the relationship between an empowerment strategy and its outcomes is strengthened, few researchers have examined the issue. Moreover, contrary to research findings that an empowerment strategy is more effective for brands with low (vs. high) familiarity (Bachouche & Sabri, 2017), in practice, empowerment strategies have been widely implemented by many well-known brands (e.g., LEGO). However, no empirical research has examined whether an empowerment strategy is equally effective

across different types of well-known brands (e.g., luxury fashion vs. mass-market fashion). Thus, the influence of brand type on empowerment strategy outcomes should be investigated.

Fourth, the role of personal characteristics in consumers' responses to empowerment strategies remains underexplored. Not all consumers may respond to an empowerment strategy favorably. Thus far, empirical researchers have investigated self-efficacy (i.e., one's ability to perform a task) as a key trait that may affect consumers' responses. Research on other consumer characteristics is virtually nonexistent. This warrants an investigation to develop a comprehensive empowerment model that explains how different consumers respond to empowerment strategies.

Lastly, research has demonstrated the persuasiveness of empowerment marketing strategies in terms of product demand, product preference, satisfaction (Pranic & Roehl, 2012), and positive brand attitude (Bachouche & Sabri-Zaaraoui, 2017). Yet, other important outcome variables may predict empowerment strategy effects. In particular, consumers who gain a sense of empowerment through co-designing a product tend to assign a higher value to the product (Sembada, 2018). Despite evidence suggesting benefits, little is known about how an empowerment strategy enhances consumers' perceptions of product quality. To address these knowledge gaps, this dissertation investigates outcomes of empowerment strategies with a focus on less-explored outcome variables—specifically, product attitudes and perceived product quality.

Theoretical Background

This dissertation has three aims to address the aforementioned gaps in the literature. First, this research attempts to examine the relative effectiveness of empowerment strategies on consumer responses. Empowerment theory and the empowerment strategies literature provide the theoretical foundations for understanding customers' responses to empowerment strategies that involve them to different extents. Second, this study investigates the mediating role of psychological ownership in the relationship between an empowerment strategy and empowerment outcomes. The theory of psychological ownership (Pierce et al., 2001; Pierce et al., 2003) is applied to explain how customers' participation in the new product development process creates a sense of possession during the purchase encounter, and how the evoked feeling has a positive influence on empowerment outcomes. Third, extending the theory of psychological ownership, this study explores the roles of situational and individual characteristics that can lead to variance in the effectiveness of an empowerment strategy. Based on relevant literature, this study focuses on two potential moderators: (a) brand type (luxury fashion brand vs. mass-market fashion brand) as a situational factor and (b) degree of self-brand connection as an individual difference characteristic.

Empowerment Theory

Scholars view empowerment theory as fragmented and not generalizable; it requires a more contextualized understanding within clear research and theoretical boundaries (Wilkinson, 1998; Perkins & Zimmerman, 1995). Empowerment theory is

rooted in social critical theory, organizational theory, and social psychology theory (Kuokkanen & Leino-Kilpi, 2000; Hur, 2006; Freire, 1973). In social critical theory, empowerment focuses on liberating oppressed groups (e.g., women, minorities, patients) through education (Hur, 2006). Empowerment in the context of organizational theory relates to leadership and management skills (Conger & Kanungo, 1988; Kanter, 1979; Keller & Dansereau, 1995). Examples involve decentralizing and sharing power and authority within the organization and enabling subordinates to take an action (Avolio, Zhu, Koh, & Bhatia, 2004). To social psychologists, empowerment is the intervention applied to improve individuals' lives and solve their problems.

Drawing on organizational theory, retail marketing and management researchers frame empowerment as sharing power through the co-creation experience or collaborative management (e.g., service) practices. According to Croft and Beresford's (1995) model, an empowered service user or a "discerning" consumer plays a crucial role in making effective and pragmatic choices within a predetermined service system. Arguing that empowerment theory should be understood within theoretical boundaries, researchers have further specified it. Taylor and colleagues (1992) distinguished between a market approach and a democratic approach to consumer empowerment. Firms that adopt a market approach empower consumers by granting them the ability to choose between predetermined alternatives. Firms that adopt a democratic approach empower consumers by giving them opportunities to change a firm's general offerings (e.g., Cutler & Nye, 2000; Fuchs & Schreier, 2011). In the democratic approach, empowerment is determined not by the number of choices provided by firms, but by the amount of

autonomy consumers have in the company's decision-making process, providing the foundation for this dissertation research.

The effects of empowerment on consequent outcomes have been studied in different contexts. Empowerment has been shown to positively influence employee engagement (Albrecht & Andreetta, 2011; Stander & Rothmann, 2010), job performance (Chiang & Hsieh, 2012), job satisfaction (Wong & Laschinger, 2013) and organizational commitment (Avolio, Zhu, Koh, & Bhatia, 2004; Wilson & Laschinger, 1994). The ability to exercise control over decisions creates feelings of enjoyment, customer satisfaction (Sparks, Bradley, & Callan, 1997), and trust (e.g., (Van Dyke et al., 2007), which in turn enhance consumer spending and company performance (Fuchs & Schreier, 2011). All in all, empowerment theory asserts that empowerment leads to positive outcomes (Figure 1).

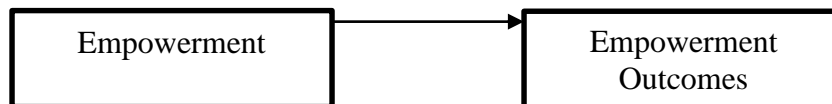


Figure 1. Basic Concept of Empowerment Theory

Theory of Psychological Ownership

The theory of psychological ownership (Pierce et al., 2001, 2003) explains the concept of psychological ownership, the formation of the state of psychological ownership and its consequences. First, psychological ownership refers to a cognitive-affective state that describes an individual's feelings of attachment to and possessiveness toward a target (Pierce et al., 2001, 2003). Thus, psychological ownership represents a relationship between an individual and the target. Second, a number of resources can induce psychological ownership, including material things (e.g., objects), immaterial things (e.g., ideas, concepts), organizations, and even people (Pierce et al., 2001, 2003). Lastly, psychological ownership may exist without legal ownership. That is, an individual may feel a sense of ownership toward a target without physically owning it (Etzioni, 1991; Furby, 1980). The basic premise of psychological ownership theory is that an individual is motivated to satisfy the basic human need for psychological ownership, and when the individual develops a psychological bond with a target, such perceptions of possessiveness or "mine"-ness influence a range of consequences, including attitudes and behaviors, both positive and negative (e.g., when products and services are discontinued) (Pierce et al., 2001, 2003).

Psychological ownership theorists have identified three antecedents to psychological ownership: (a) exercising control over a target; (b) coming to know a target intimately, and/or (c) investing one's resources (e.g., time, money, or attention) (Jussila, Tarkiainen, Sarstedt, & Hair, 2015; Pierce et al., 2001, 2003). First, exercising control refers to direct physical contact, authority, and power with respect to the target. The

ability to affect and control a target fosters feelings of ownership towards that object (Csikszentmihalyi & Rochberg-Halton, 1981). Intimate knowledge also recognizes one's association with the target. As individuals associate themselves with particular targets, they learn information about them, thereby developing feelings of ownership (Pierce et al., 2001). Resource investments may take many forms such as time, ideas, labor, intellectual energy, and skills with regard to the target (Csikszentmihalyi & Rochberg-Halton, 1981). People associate with and feel ownership over what they create, shape and produce.

The theory stipulates that the consequences of psychological ownership represent final actions or outcomes in the form of (a) motivational, (b) attitudinal and (c) behavioral effects. Motivational effects reflect the belief that individuals will continue to engage in the behavior and enhance their sense of ownership (Pierce & Jussila, 2011). Motivational effects can manifest as consumers' sense of pride (Di Muro & Noseworthy, 2012), self-efficacy, and self-identity (Luthans & Peterson, 2002). Attitudinal effects are individuals' favorable or unfavorable evaluations of the target object and attitudinal outcomes include satisfaction, assessments of product performance (e.g., Beggan, 1992). Behavioral effects are actions or reactions stemming from ownership, such as performance (e.g., Pierce & Jussila, 2011), willingness to pay (Fuchs et al., 2010), word-of-mouth (Kirk, Swain, & Gaskin, 2015), and relationship intention (e.g., Asatryan & Oh, 2008).

Psychological ownership theory has recently sparked considerable research interest in the retail and consumer marketing disciplines (Kamleitner & Erki, 2013;

Kamleitner & Feuchtl, 2015; Weiss & Johar, 2013). Researchers have applied the theory of psychological ownership in various contexts, including products (Fuchs et al., 2010; Peck & Shu, 2009) restaurant services (Asatryan & Oh, 2008), customer-owned cooperatives (e.g., Jussila & Tuominen, 2010), and virtual environments (Harwood & Garry, 2010; Lee & Chen, 2011).

Main research interests have focused on antecedents and consequences of psychological ownership. Scholars have frequently identified several antecedents of psychological ownership, including perceived control (Asatrayn & Oh, 2008; Lee & Chen, 2011; Pierce, O'driscoll, & Coghlan, 2004), self-investment/consumer participation (Asatrayn & Oh, 2008; Fuchs et al., 2010; Lee & Chen, 2011), consumer-company identification (Asatrayn & Oh, 2008) and sense of belonging (Asatrayn & Oh, 2008). Identified consequences of psychological ownership include attitudinal effects such as the perceived value of objects (Strahilevitz & Loewenstein, 1998), and behavioral effects including willingness to pay (Lessard-Bonaventure & Chebat, 2015), actual money spent (Reb & Connolly, 2007), product quality assessments (Peck & Childers, 2003), future visits, and use intentions (Lee & Chen, 2011).

Customers feel empowered and perceive autonomy by taking control over their choices and being able to manipulate the surrounding resources for their benefit (Fuchs et al., 2010; Sembada, 2018). Through empowerment strategies, consumers are invited to take charge of product development by designing and/or choosing the final product offerings. In a purchase situation, this consumer-centric retail marketing strategy can foster feelings of greater control over the production process, which may cause

individuals to feel psychologically tied to the product during the purchase encounter (i.e., psychological ownership). Feelings of ownership are likely to generate positive psychological reactions with respect to attitudes and behavioral reactions (see Figure 2).

Developing an Empowerment Strategy Model for Fashion Brands' New Product Development

This dissertation proposes that three types of empowerment strategy (i.e., empowerment-to-create, empowerment-to-select, non-empowerment) differently affect consumer outcomes in the fashion retail setting. Consumers' psychological ownership further mediates the effect of empowerment strategy on consumer outcomes (specifically, product attitudes and perceived product quality). Additionally, it is predicted that the effects of an empowerment strategy on consumer outcomes vary by brand type and consumers' existing perceptions of self-brand connection.

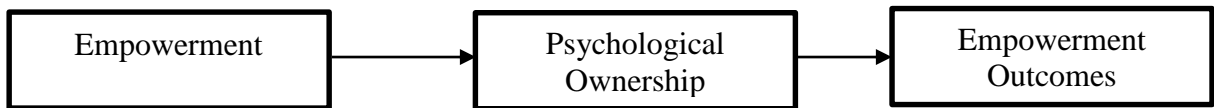


Figure 2. Empowerment and Psychological Ownership

To gauge the performance of empowerment strategies from a consumer's perspective, this study examines two constructs: product attitude and perceived product quality. Product attitude refers to an individual's overall evaluation of an object, either negative or positive (Kamins & Marks, 1987). Product attitude captures a consumer's assessment of a product and product-related attributes. Since attitude is an important predictor of behavioral intention, which in turn affects actual behavior (e.g., Bagozzi, 1981; Bentler & Speckart, 1979), product attitude has been studied extensively in consumer behavior research (Lee, Park, & Han, 2008; Munch, Boller, & Swasy, 1993). Research on co-production suggests that consumers tend to evaluate products they create more favorably than finished goods presented in their final form (Shavitt, Lowrey, & Han, 1992).

Perceived product quality concerns the degree to which consumers perceive that a product or service meets their expectations (Reeves & Bednar, 1994). Many marketing scholars have examined antecedents of perceived product quality (Page & Herr, 2002). Numerous studies have revealed brand/store name and price as critical factors that increase perceived product quality (Brucks, Zeithaml, & Naylor, 2000; Dodds, Monroe, & Grewal, 1991; Grewal, Monroe, & Krishnan, 1998; Ophuis & Van Trijp, 1995). Importantly, in the context of co-production experiences, researchers have found that a co-design empowerment strategy heightens consumers' sense of product ownership, which positively influences their product valuations (Sembada, 2018). Taken together, this study develops a model of an effective empowerment strategy for fashion brands' product development as displayed in Figure 3.

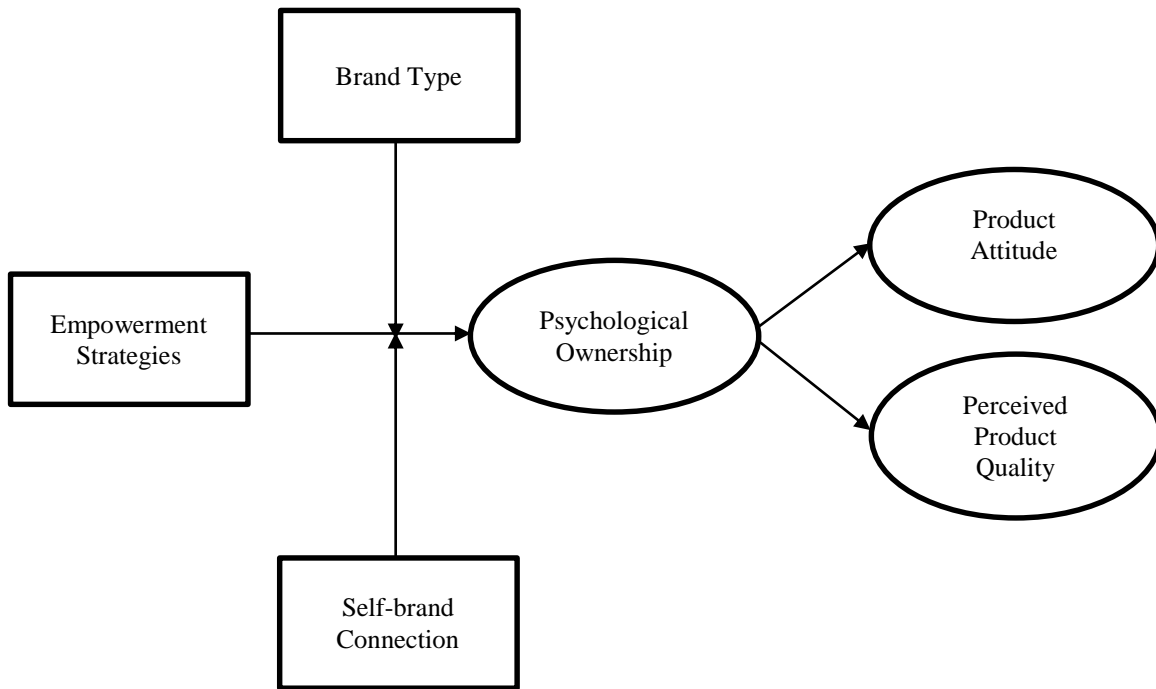


Figure 3. Proposed Mod

Hypotheses Development

The Effects of Empowerment Strategies on Consumer Responses

An empowerment strategy provides customers with opportunities to participate in product development tasks. According to empowerment theory and findings in the empowerment strategy literature, empowerment tactics result in more desirable consumer attitudes and behavior than non-empowerment tactics (Fuchs & Schreier, 2011; Pranic & Roehl, 2012). Furthermore, it has been argued that among empowerment strategies including empowerment-to-create and empowerment-to-select formats, firm performance increases as consumers become more involved in the product development decision-making process. Thus, the highest level of performance results from an empowerment-to-create strategy (Bachouche & Sabri, 2017).

Applying the notion above to the intensive creation tasks environment, it is proposed that an empowerment-to-create strategy (consumers to create the final product, which later gets chosen by other customers) is more effective than the empowerment-to-select (customers select final products created by other customers) and non-empowerment strategies (customers have zero involvement in the final product decision making process). Researchers have highlighted that a higher level of empowerment strategy that grants customers control over innovation outputs can mobilize customers' creativity, provide them with opportunities to use their artistic skills and motivate them to enjoy challenges (Steen, Manschot, & De Koning, 2011). Completing difficult tasks requires investing more effort and commitment, which can increase an individual's sense

of competence and effectiveness (Brehan & Self, 1989). It is, therefore, plausible that an empowerment-to-create strategy that cedes the most control to consumers to shape the brand's general offering is more likely to result in better empowerment outcomes.

H1: Different empowerment strategies (empowerment-to create, empowerment-to-select and non-empowerment) have varying effects on (a) product attitude and (b) perceived product quality in the fashion product development context. Specifically, the empowerment-to-create strategy most effectively increases (a) product attitude and (b) perceived product quality, followed by the empowerment-to-select strategy and the non-empowerment strategy, respectively.

Mediating Role of Psychological Ownership

This study further posits that psychological ownership mediates the effects of empowerment strategies on consumer responses. A central tenet of psychological ownership theory is that psychological ownership occurs when individuals feel that they have control over an object (Dawkins, Tian, Newman, & Martin, 2017; Pierce et al., 2001). Previous empowerment strategy studies confirmed that beneficial outcomes stem from stronger psychological ownership (Fuchs et al., 2010; Sembada, 2018). Individuals who participate in a co-design process have a heightened sense of ownership which in turn has a variety of behavioral implications (e.g., WOM intentions) (Sembada, 2018). Consumers who actively participate in the product development process feel that they have the power to influence the final products. Through increased interaction, they develop a sense of connection to the products and assign greater value to them prior to

purchase. Taken together, feelings of power and a sense of ownership likely affect consumers' responses and product evaluations positively. Based on existing evidence, it is sensible to hypothesize that fully empowered consumers exhibit more favorable product attitudes and product quality perceptions because they have stronger psychological ownership.

H2: Psychological ownership mediates the effect of empowerment strategies on (a) product attitude and (b) perceived product quality.

Brand Type: Luxury vs. Mass-Market Fashion Brands

The performance of an empowerment strategy may be context-dependent. In the fashion context, it may depend on the type of brand that is implementing the strategy. This study focuses on two fashion brand types: luxury and mass-market. Luxury fashion brands are characterized by “exclusivity, premium prices, image, and status, which combine to make them desirable for reasons other than function” (Jackson, 2004, p. 158). Examples include Chanel and Hermès. In contrast, mass-market fashion brands are inexpensive or affordable, have a reasonable level of quality and may or may not fulfill consumers' non-functional desires (e.g., self-enhancement, role position, pleasure). H&M and Zara are examples of mass-market brands (Fuchs et al., 2013; Lee, Motion, & Conroy, 2009).

The word “luxury” derives from the Latin “luxus,” which means “extravagant living and (over)-indulgence” (Glare, 1982). Luxury goods have several core characteristics, including conveying a sense of power, exclusivity, authenticity and

wealth; most importantly, they are non-essential (Brun, et al., 2008; Dubois & Gilles, 1994). Broadly speaking, luxury brands comprise the top category of brands with the highest functional (i.e., quality), symbolic (i.e., status) and added/immaterial (e.g., experiential, emotional) value (Fuch et al., 2013; Tynan, McKechnie, & Chhuon, 2010; Vickers & Renand, 2003; Wiedman, Hennigs, & Siebels, 2007). Luxury brands deliver benefits beyond functionality, such as pleasure, comfort and status. Luxury brands also reflect owners' social class, and personal and social identities (Vickers & Renand, 2003; Wiedman et al., 2007). These characteristics are the main criteria that distinguish luxury brands from non-luxury brands.

Symbolic value is particularly important to understanding the differences between luxury and mass-market fashion brands. For instance, Tynan, McKechnie, and Chhuon (2010) argued that although utilitarian value (i.e., quality and craftsmanship; Kapferer, 1997) is an important characteristic of luxury fashion brands, it is often taken for granted. Rather, consumers purchase luxury brands to signal or improve their status (i.e., status consumption; Goldsmith, Freiden, & Kilsheimer, 1993), and/or restore their power (i.e., compensatory consumption; Koo & Im, 2017). In line with Veblen's (1899, 1994) theory of conspicuous consumption, numerous studies have confirmed that consumers are willing to pay a premium for luxury brands, not because they provide inherently superior functional value, but because they provide benefits in the form of symbolic/social value (e.g., status, wealth, power) (Li, Li, & Kambele, 2012; O'cass & McEwen, 2004; Vigneron & Johnson, 2004).

On the other hand, mass-market brands do not offer the symbolic and social value (e.g., Vigneron & Johnson, 1999, 2004) provided by luxury brands. Mass-market brands target a wide variety of consumer groups, especially those who prefer stylish clothes at affordable prices (Kotler, 1989). According to Segura (2017), unlike luxury brands, which consumers buy to fulfill their aspirations (e.g., power), price is the most critical driver of consumption for mass-market fashion brands. As such, mass-market fashion brands neither create the desired (dis)associations with social groups, nor signal status to other consumers (Ratchford, 1987).

Because consumers consume luxury fashion brands and mass-market fashion brands for different reasons (Giovannini, Xu, & Thomas, 2015), retail brand marketing strategies target different wants and needs. Luxury brands focus on communicating aspects of non-functional value such as brand heritage (Arora, 2011), whereas mass-market brands focus on communicating functional value and affordability (Luk & Yip, 2008). Given these differences in retail brand strategies, empowerment strategies likely work differently in luxury vs. mass-market contexts.

The Moderating Roles of Brand Type and Self-brand Connection

The effects of empowerment strategies likely are not universal. Rather, the effect may vary depending on characteristics of brands and consumers. In particular, this study is interested in two potential moderators: (a) brand type (i.e., mass-market vs. luxury) and (b) self-brand connection.

First, this study posits that the effectiveness of an empowerment strategy increases when the strategy is used by a luxury fashion brand vs. a mass-market fashion brand. Prior research on power reveals the importance of fit between customer power orientation and advertising messages; that is, consumers prefer messages that match their power orientations. Specifically, high-power individuals more favorably evaluate messages that focus on competences, whereas low-power individuals tend to prefer messages that convey trustworthiness and friendliness (Cuddy, Fiske, & Glick, 2008; Dubois, Rucker, & Galinsky, 2016). This argument also can be supported by the expectancy disconfirmation model (Van Ryzin, 2004), which suggests that a match between a brand and consumer expectations leads to higher consumer satisfaction.

Findings show that a desire for power is an important factor driving consumption in the luxury fashion brand market (Kapferer, 2012; Okonkwo, 2009). Empowerment strategies that encourage higher levels of involvement in the product design process enable consumers to feel that they have more power and control over final goods. Hence, empowerment strategies are likely to amplify the desired effect for a luxury fashion brand, as they satisfy a key desire that motivates consumers to purchase the luxury brands. However, utilitarian value and price drive consumption of mass-market fashion brands (Segura, 2017). Non-empowerment strategies that offer consumers no power or control over product decisions prior to the point of purchase might be in line with drivers of mass-market brand consumption, such that a non-empowerment strategy may yield more effective outcomes for mass-market fashion brands. Thus, the effectiveness of an empowerment strategy may become attenuated for a mass-market fashion brand. Based

on this reasoning and previous findings on the importance of fit between customer power orientation and advertising messages:

H3: The relationship between empowerment strategies and product attitude is moderated by fashion brand type (luxury vs. mass-market).

H3a: For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater product attitudes than empowerment-to-select strategy.

H3b: For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater product attitudes than non-empowerment strategy.

H3c: For a luxury brand (vs. mass-market), empowerment-to-select strategy leads to greater product attitudes than non-empowerment strategy.

H4: The relationship between empowerment strategies and perceived product quality is moderated by fashion brand type (luxury vs. mass-market).

H4a: For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater perceived product quality than empowerment-to-select strategy.

H4b: For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater perceived product quality than non-empowerment strategy.

H4c: For a luxury brand (vs. mass-market), empowerment-to-select strategy leads to greater perceived product quality than non-empowerment strategy.

Second, this study posits that self-brand connection moderates the interactive effects between empowerment strategy and brand type. In the context of a fashion brand's empowerment strategy, self-brand connection refers to the strength of the tie

between a focal brand and a consumer's self-concept (Escalas, 2004; Escalas & Bettman, 2003; Ferraro et al., 2013). Consumers create or represent their self-concepts through different levels of brand attachment and commitment (Cooper, Schembri, & Miller, 2010; Escalas, 2004; Escalas & Bettman, 2003). A strong self-brand connection develops when consumers discover brands that are consistent with their self-images. Put another way, higher self-brand connection occurs when consumers view a brand as a reflection of themselves. In contrast, those with low self-brand connection do not see themselves reflected in the brand.

Many scholars have examined the effects of self-brand connection on consumer responses in the consumer marketing literature. Studies have demonstrated that enhanced self-brand connections lead to greater satisfaction of psychological needs (e.g., ownership), reinforce consumers' self-identities, and enable individuals to connect to others (Escalas, 2004; Wallendorf & Arnould, 1988). As a result, such brands are preferred (Perkins & Forehand, 2011), consumed (Dolich, 1969; Wu & Lo, 2009) and advocated (Kemp et al., 2012; Kressmann et al., 2006) more than others. Although researchers have not formally examined self-brand connection as a potential moderator, a few have noted its important role. For instance, Ferraro, Kirmani, and Matherly (2013) found that conspicuous brand usage has a negative effect on consumers' brand attitudes when self-brand connection is low, whereas brand attitudes remain the same when self-brand connection is high. Thus, self-brand connection may alter the effectiveness of fashion brands' empowerment strategies.

Applying this logic to the fashion context, consumers with strong self-brand connections are likely to respond more favorably to empowerment strategies. In particular, when self-brand connection is high (vs. low), positive effects of empowerment strategies may be amplified for a luxury brand and negative effects of empowerment strategies may be attenuated for a mass-market brand.

H5: Self-brand connection moderates the interactive effects of empowerment strategy and brand type on (a) product attitude and (b) perceived product quality.

H5a. For a luxury brand, the positive effects of an empowerment strategy are magnified when self-brand connection is high (vs. low).

H5b. For a mass-market brand, the positive effects of an empowerment strategy are attenuated when consumers have high (vs. low) self-brand connection.

Mediated Moderation: The Role of Psychological Ownership

Current research postulates that, regardless of brand type, empowerment strategies yield benefits by evoking psychological ownership. That is, the use of empowerment strategies should heighten consumers' sense of ownership, which in turn should support more favorable responses toward both luxury and mass-market brands.

H6: Psychological ownership mediates the interactive effects of empowerment strategy and brand type on (a) product attitudes and (b) perceived product quality.

Moreover, empowerment strategies are assumed to evoke psychological ownership amongst all types of consumers. Therefore, increased psychological ownership should support more favorable responses in consumers, regardless of level of self-connection to the brand.

H7: Psychological ownership mediates the interactive effects of empowerment strategies and self-brand connection on (a) product attitude and (b) perceived product quality.

The proposed hypotheses will be tested by conducting two main experiments. Figure 4 shows the conceptual model of Study 1. Study 1 aims to investigate how empowerment strategies affect product related outcomes via psychological ownership. Figure 5 depicts the conceptual model of Study 2. Study 2 aims to extend the Study 1 by examining how a contextual factor (brand type) and an individual factor (self-brand connection) moderate the effects of empowerment strategies on product related outcomes via psychological ownership (see Table 2).

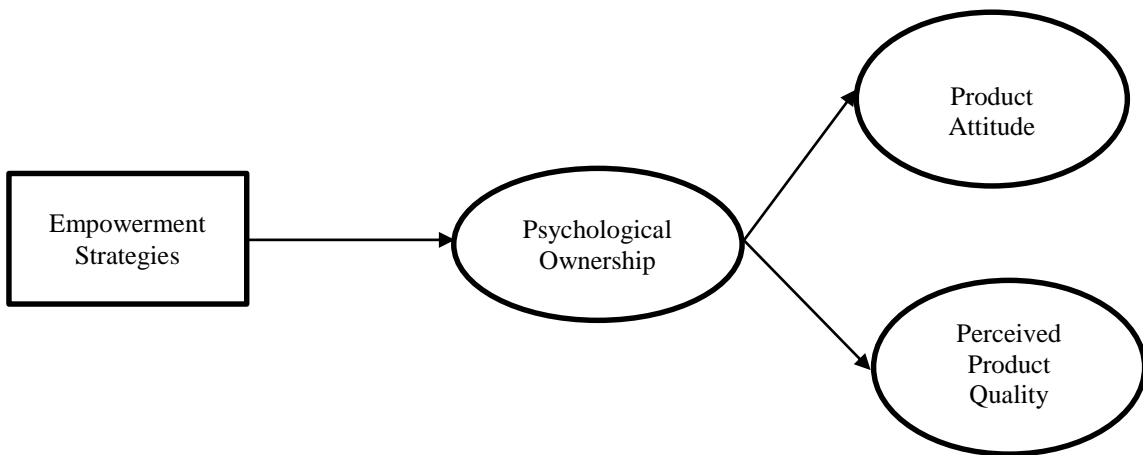


Figure 4. Conceptual Model of Study 1

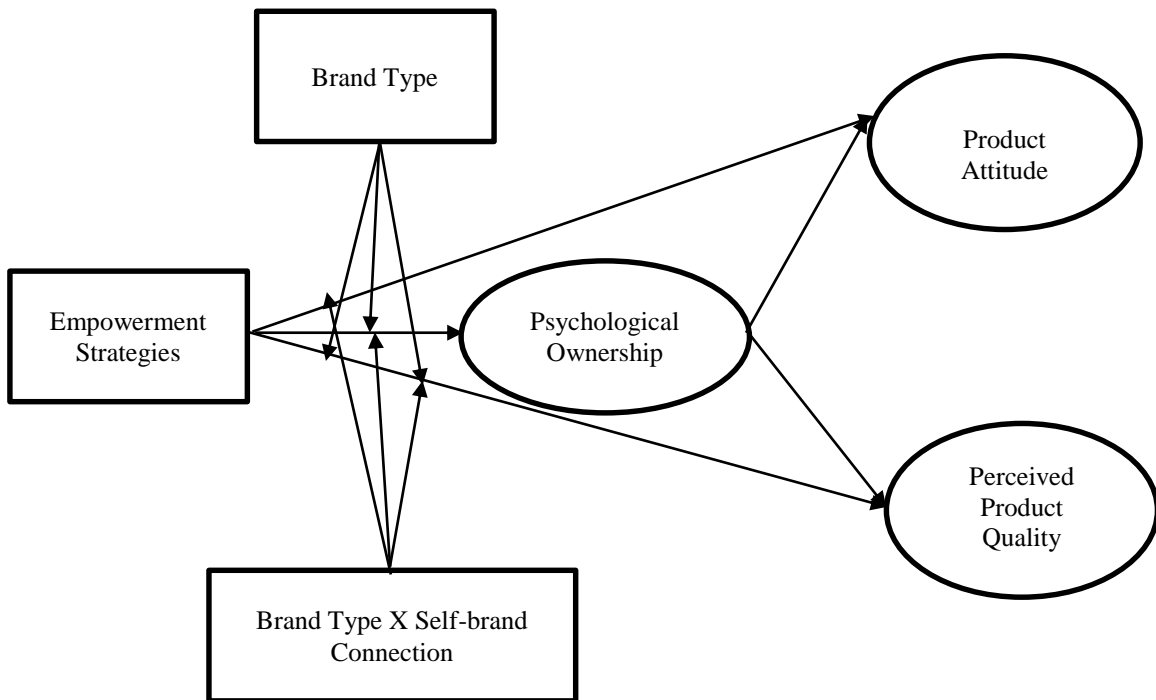


Figure 5. Conceptual Model of Study 2

Table 2. Summary of Hypotheses

Study		Hypotheses	
Study 1	H1	H1a	The empowerment-to-create strategy most effectively increases product attitude, followed by the empowerment-to-select strategy and the non-empowerment strategy, respectively.
		H1b	The empowerment-to-create strategy most effectively increases product quality, followed by the empowerment-to-select strategy and the non-empowerment strategy, respectively.
	H2	H2a	Psychological ownership mediates the effect of empowerment strategies on product attitude.
		H2b	Psychological ownership mediates the effect of empowerment strategies on perceived product quality.
Study 2	H3	H3a	For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater product attitudes than empowerment-to-select strategy.
		H3b	For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater product attitudes than non-empowerment strategy.
		H3c	For a luxury brand (vs. mass-market), empowerment-to-select strategy leads to greater product attitudes than non-empowerment strategy.
	H4	H4a	For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater perceived product quality than empowerment-to-select strategy.
		H4b	For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater perceived product quality than non-empowerment strategy.
		H4c	For a luxury brand (vs. mass-market), empowerment-to-select strategy leads to greater perceived product quality than non-empowerment strategy.
	H5	H5a	For a luxury brand, the positive effects of an empowerment strategy are magnified when self-brand connection is high (vs. low).
		H5b	For a mass-market brand, the positive effects of an empowerment strategy are attenuated when consumers have high (vs. low) self-brand connection.
	H6	H6a	Psychological ownership mediates the interactive effects of empowerment strategies and brand type on product attitudes.
		H6b	Psychological ownership mediates the interactive effects of empowerment strategies and brand type on product quality.
	H7	H7a	Psychological ownership mediates the interactive effects of empowerment strategies and self-brand connection on product attitudes.
		H7b	Psychological ownership mediates the interactive effects of empowerment strategies and self-brand connection on product quality.

CHAPTER 3

STUDIES 1 AND 2

This chapter presents pre-tests that were performed in order to develop the experimental stimuli and manipulations for the main tests and main studies performed to test hypotheses. Two main studies were conducted. Before conducting Study 1, two pre-tests were performed. And as in Study 1, two pre-tests were conducted prior to Study 2. This study was reviewed and exempted by the UTK Institutional Review Board prior to the pre-tests and main studies (Approval No: UTK -18-04374-XM).

Pre-test 1: Selection of Product Stimuli (Shoes)

The purpose of pre-test 1 was to select appropriate product designs to be used for Study 1. Given that canvas shoes are one of the popular product categories that companies use to drive consumer engagement during the production development process (Pourabdollahian, Corti, Galbusera, & Silva, 2012), canvas shoes were selected as the focal product of Study 1. In order to determine the final five products that would be used in the experimental conditions (i.e. empowerment-to-select and non-empowerment), seven different designs of canvas shoes were created by a professional designer that are suitable for any gender (Table 3).

An online survey link was created on Qualtrics.com and distributed via MTurk. In order to collect responses relevant to the context of this study, the sample comprised millennial generation shoppers, i.e. those between 22 and 37 years of age. Millennials were selected as a target consumer segment due to their high demand on individualized

products or brands incorporating customer-driven innovation than their older counterparts (Kennedy & Guzmán, 2016). A total of 61 participants were recruited in the survey, and received a small monetary honorarium of \$.50 in exchange for their participation. Upon arrival at the survey link, the participants read a consent form that included information about the purpose of the study, the procedure of the survey, and the estimated time required to complete the survey. Then, they were randomly assigned to an image of one of the seven shoes. After viewing the shoes, participants completed questionnaires regarding their attitudes toward the shoes, as well as simple demographic information. To measure their overall attitude toward the shoes, respondents were asked to indicate the extent to which they agreed on a 7-point semantic differential scale. The choices available in this pre-test were: “Bad/Good,” “Negative/Positive,” “Unfavorable/Favorable,” and “Dislike/Like.” The acceptable reliabilities for this item were reported in a prior study ($\alpha > .95$, Perkins & Forehand, 2011). The mean age of the sample was 28.9 years of age ($SD = 4.60$; range = 22 to 37), and 41% were female.

An analysis of mean-comparison was performed in order to select the final five shoes designs. Among the seven designs, five were selected—shoes 3 ($M = 4.22$, $SD = 2.30$); shoes 4 ($M = 4.00$, $SD = 1.92$); shoes 5 ($M = 4.00$, $SD = 1.91$); shoes 6 ($M = 4.47$, $SD = 1.99$); and shoes 7 ($M = 4.78$, $SD = 1.60$)—based on their mean favorability scores. In addition, gender had no main effect on consumers’ overall attitudes toward the shoes ($F(1, 59) = 3.21$, $p = .08$). This result demonstrates that the selected products qualify as unisex.

Table 3. Shoes Images for Pre-test 1



1(dropped)



2(dropped)



3(selected)



4(selected)



5(selected)



6(selected)



7(selected)

Pre-test 2: Manipulation of Empowerment Strategies

Stimuli Development

In reference to the prior studies (Bachouche & Sabri-Zaaraoui, 2017; Fuchs et al., 2010), two different levels of empowerment strategies (empowerment-to-create vs. empowerment-to-select) were developed. In order to ensure that the manipulations of different levels of empowerment were valid, a non-empowerment condition was included as a baseline in this study. Hence, three versions of empowerment strategies (empowerment-to-create vs. empowerment-to-select vs. non-empowerment) were used for the experimental induction.

An online store platform was chosen as the channel for a retail brand's empowerment strategies. The experimental websites were created using a cloud-based web development platform (wix.com). On the websites, a fictitious brand (SC.allure) was provided to reduce a potential bias that could be caused by familiarity with an existing brand. Besides, in order to control for the influence of online store design factors so that ratings were based on the level of empowerment strategies, all other aspects such as product design, product type, font type, and background were invariant except for the manipulated texts/images across three conditions.

The empowerment strategy was manipulated by varying levels of consumer's involvement in the production process in two steps. First, an introductory statement explaining the retailer's empowerment strategy (for empowerment conditions) or promotion program (for non-empowerment) was presented on its front page. In the

baseline (non-empowerment) condition, a website of a general online shop was provided (Table 4). Thus, three versions of online store websites were developed.

Second, a task was given to participants at the end of the experiment. The empowerment-to-create condition asked participants to submit their art creation for the design of the shoes. The empowerment-to-select condition guided them to vote for their favorite design among the five available shoes designed by other customers. The non-empowerment condition asked no specific task, but asked them to explore the online store as they would normally shop.

Table 4. Examples of Empowerment Strategies

Condition	Introductory statement
Empowerment-to-create	2018 SC.allure summer-inspired design competition. We are pleased to host a design competition. We invite our customers to create designs of canvas shoes around a specific theme. The winning design, the one with the most votes, will be printed and sold exclusively at the SC.allure shopping site. The winning artist will receive a Grand Prize of \$100 cash!
Empowerment-to-select	2018 SC.allure summer-inspired design competition. Please pick your favorite summer-inspired design and submit your answer with a number ranging from 1, 2, 3, 4, and 5. The winner's design will be sold exclusively at the SC.allure shopping site. If you voted for the winner, then you will get a chance to win a \$50 cash prize.
Non-empowerment	2018 Summer items now available. Shop now!

Participants and Procedure

Once the website stimuli was developed, the researcher invited four scholars who has research expertise in fashion branding from the Department of Retail, Hospitality, and Tourism Management at the University of Tennessee to review the appropriateness of the experimental websites. A total of 68 participants were recruited on the MTurk platform. The study participants were restricted to only those who were (1) residing in the United States; (2) aged between 22 and 37; (3) had a 95% or higher approval rating; and (4) had not participated in any similar previous studies. Participants received a small monetary compensation of \$.50 as an incentive for their participation. The sample size in this study exceeded the minimum sample size for analysis of variance (ANOVA) with 3 groups, where the minimum sample size is 66 to achieve power of .80 at $\alpha = .05$ and a large effect size ($f = .40$) based on GPOWER analysis (Faul, Erdfelder, Lang, & Buchne, 2007). The mean age of the sample group was 29.6 years, and 48.5% were female.

A web-based experiment design was used. A survey link directing participants to the experiment website was posted on MTurk, with a brief description of the study and the procedure. Upon arrival at the questionnaire site, participants were led to read the survey purpose with a consent form, a confidentiality disclosure information, and the estimated time needed to finish the survey. Then they were told to visit and browse a randomly assigned website among SC.allure online stores. Upon returning to the survey site, respondents answered several questionnaire questions, including manipulation checks, reality check, and demographics. The participants perceived that SC.allure's

website was realistic ($M_{E\text{-to-create}} = 5.17$, $M_{E\text{-to-select}} = 5.25$, $M_{\text{Non-e}} = 5.19$) and SC.allure's design campaign was realistic ($M_{E\text{-to-create}} = 5.56$, $M_{E\text{-to-select}} = 5.07$, $M_{\text{Non-e}} = 5.06$).

Manipulation Check

The degree of empowerment strategies was measured using a perceived autonomy scale. Perceived autonomy refers to one's emotional feelings about their perceived confidence in their own choices and goals (Noom, Dekovic, & Meeus, 2001). Perceived autonomy has been frequently used in prior research as a measure of perceived empowerment (e.g., Sabiston & Laschinger, 1995). The items included (1) "Shopping at SC.allure makes me feel controlled and pressured to be certain ways," (reverse code item) (2) "Shopping at SC.allure makes me feel free to be who I am," (3) "I feel that my choices are based on my true interests and values," (4) "I feel free to do things my own way," and (5) "I feel that my choices express my true self." The respondents were asked to indicate whether their shopping experience on the SC.allure website made them feel autonomy in their task on a 7-point Likert scale (Hagger & Chatzisarantis, 2007). An accepted reliability of the scale was reported in a prior study ($\alpha = .72$, Jung, 2011).

One-way ANOVA and the least square difference (LSD) pairwise multiple comparisons were conducted in order to assess the validity of the empowerment strategy manipulation. The results revealed that there were significant differences among the three empowerment strategies ($F(2,65) = 7.47$, $p < .001$). Consumers in the empowerment-to-create condition ($n = 20$, $M = 5.75$, $SD = .21$) reported higher perceived autonomy in their task than those in the empowerment-to-select condition ($n = 31$, $M = 5.15$, $SD = .96$) and

the non-empowerment condition ($n = 17, M = 4.53, SD = 1.16$). The mean value of the baseline condition was deemed fairly high ($M = 4.53, SD = 1.16$), but it was still lower than the median value ($M = 5.00$) of the measured items (Table 5). Next, the post-hoc test was conducted using Fisher's least significance difference (LSD). The results showed that there were significant differences between the empowerment-to-create condition and the empowerment-to-select condition ($M_{\text{difference}} = .60, SE = .27, p = .03$), between empowerment-to-create and baseline/non-empowerment condition ($M_{\text{difference}} = 1.22, SE = .32, p < .001$), and between empowerment-to-select and the baseline/non-empowerment condition ($M_{\text{difference}} = .61, SE = .28, p = .03$) (Table 6). Therefore, the manipulation for empowerment strategies was successful, and this is consistent with prior research (Bachouche & Sabri-Zaaraoui, 2017).

Table 5. ANOVA Results for the Empowerment Strategy Manipulation Check of Pre-test

Measure	E-to-create ($n = 20$)	E-to-select ($n = 31$)	Non-e ($n=17$)		
	$M (SD)$	$M (SD)$	$M (SD)$	$F(2,65)$	p
Perceived autonomy	5.75 (.21)	5.15 (.96)	4.53 (1.16)	7.47	<.001

Table 6. Post-Hoc Test Results of the Three Empowerment Strategy Groups of Pre-test

Measure	E-to-create vs. E-to-select	E-to-create vs. Non-e	E-to-select vs. Non-e
	$M_{\text{difference}} (SE)$	$M_{\text{difference}} (SE)$	$M_{\text{difference}} (SE)$
Perceived autonomy	.60 (.27) $p = .03$	1.22 (.32) $p < .001$.61 (.28) $p = .03$

Study 1

Study 1 tested H1 and H2, positing the main effect of empowerment strategies on empowerment outcomes. Specifically, it was expected that different empowerment strategies (empowerment-to create, empowerment-to-select, and non-empowerment) during fashion product development would have varying effects on (a) product attitude and (b) perceived product quality. The empowerment-to-create strategy would be most effective in terms of increasing (a) product attitude and (b) perceived product quality compared to the empowerment-to-select strategy, followed by the non-empowerment strategy. Additionally, Study 1 aimed to examine the mechanism by which such strategies would lead to empowerment outcomes. Psychological ownership was expected to mediate the relationship between empowerment strategies and outcomes (a: product attitude, b: perceived product quality).

Research Design

A web-based experiment was conducted using a single factor between-subject design (empowerment strategies: empowerment-to-create vs. empowerment-to-select vs. non-empowerment). The same stimuli that was developed and verified in pre-test 2 was used. The empowerment strategy was manipulated by the levels of consumer's involvement in the production process. In the empowerment-to-create condition, consumers' highest efforts/involvements were required. They submitted a summer-inspired art work for the design of canvas shoes to be marketed for the SC.allure's next season. In the empowerment-to-select condition, consumers voted for their favorite

canvas shoes designs that would then be marketed for SC.allure's next season. In the non-empowerment condition, consumers browsed the general SC.allure online website, where they could shop.

Procedure

A total of 177 were recruited from MTurk, all of whom were residing in the U.S. Then, they were randomly assigned to one of three experimental condition groups. The main experiment consisted of four steps. First, upon arrival at the web-based survey, participants were asked to read the welcome message, including the consent form, the purpose of the study, confidentiality disclosure information, the procedure of the survey, and the estimated time needed to finish the survey. Second, in order to increase the effectiveness of empowerment strategies, participants were informed that, as part of the survey procedure, they may or may not be instructed to create and submit a design for canvas shoes. Third, participants who had agreed to participate then visited one of the three online stores (SC.allure) in which each store was designed to offer a different level of empowerment strategy. Lastly, after returning to the online survey site, they completed questionnaires concerning manipulation check, a mediator, dependent variables, and demographics.

Measures

Perceived autonomy. The same items (Hagger & Chatzisarantis, 2007) used for Pre-test 2 was used to perform a manipulation check for empowerment strategy.

Participants were asked to rate the degree to which they felt autonomy while browsing the site. The items include (1) “Shopping at SC.allure makes me feel controlled and pressured to be certain ways,” (reverse code item) (2) “Shopping at SC.allure makes me feel free to be who I am,” (3) “I feel that my choices are based on my true interests and values,” (4) “I feel free to do things my own way,” and (5) “I feel that my choices express my true self.” The items were assessed using a 7-point Likert scale ranging from “Strongly Disagree” (1) to “Strongly Agree” (7).

Psychological ownership. Psychological ownership was measured using six items (e.g., “Although I do not own this product yet, I have the feeling that these are my canvas shoes,”; “It is easy for me to think of these canvas shoes as mine”). The answers were recorded using a 7-point Likert scale from “1=Strongly Disagree” to “7=Strongly Agree.” According to Van Dyne and Pierce (2004), the Cronbach’s alpha coefficient for psychological ownership was .95.

Product attitude. Product attitude was measured using a 7-point semantic differential scale. Product attitude was measured with four items: “Unfavorable/Favorable,” “Bad/Good,” “Negative/Positive,” “Dislike/Like,” and anchored by “1=Strongly Disagree” and “7=Strongly Agree.” The Cronbach’s alpha coefficient for product attitude items were over .90 in the prior study (Perkins & Forehand, 2011).

Product quality. Product quality was measured using 3 items answered on a 7-point semantic differential scale (Jo & Sarigollu, 2007). The items in this study included: “Extremely low quality/Extremely high quality,” “Very little durability/Very high

durability,” and “Very unreliable/Very reliable.” The Cronbach’s alpha coefficient for the product quality was .90 in the previous study (Jo & Sarigollu, 2007).

Results

Demographics of Participants

The proportion of male participants (51.4%) were slightly higher than that of female participants (47.5%) in the present study. The mean age was 29.9, with age ranges from 20 to 37. The majority of the respondents were White/Caucasian American (67.3%), followed by Black/African-American (11.3%) and Asian American (11.3%) and Hispanic (7.3%) (see Table 7).

Table 7. Demographic Characteristics of Participants of Study 1

Demographics	Mean (<i>SD</i>)	Frequency (<i>N</i> = 177)	Percentage
Gender			
Female		84	47.5
Male		91	51.4
Other		2	1.1
Age			
	29.9 (4.58)		
20-24		25	14.1
25-30		62	35.0
31-35		71	40.1
Over 35		19	10.8
Ethnic background			
African American		20	11.3
Caucasian American		119	67.3
Hispanic		13	7.3
Native American		2	1.1
Asian American		20	11.3
Multicultural		3	1.7

Assumption Check

A series of tests were conducted in order to check the basic assumptions for ANOVA analysis (i.e., normality and equal variances between samples). First, the results of the normality test revealed that the skewness and kurtosis values for each measurement item were within the acceptable range of ± 1.96 , ranging from $-.95$ and $.39$ (Mardia, 1970) (Table 8). Thus, the normality of the data was confirmed. Second, the results of the homogeneity of variance tests indicated that product quality was insignificant at the $.05$ significance level, while product attitude was significant at the $.05$. The results were expected to be insignificant at the $.05$ significance level, suggesting that the results violated the assumptions (Table 9). However, analysis of variance is robust to violations of its assumption if the sample sizes are equal or close to equal (i.e., the sample size in the largest group should not be greater than $1/2$ times the sample size in the smallest group) across experimental conditions (Leech et al., 2005). Thus, further analyses were continued, because similar sample sizes were observed across the three treatment groups (57 in the empowerment-to-create, 56 in the empowerment-to-select, 64 in the non-empowerment).

Table 8. Skewness and Kurtosis Analyses of Study1

Dependent variable	Mean	<i>SD</i>	Skewness	Kurtosis
Product attitude	5.28	1.34	-.95	.39
Product quality	4.92	1.15	-.41	.36

Table 9. Levene's Test of Equality of Error Variances of Study1

Dependent variable	<i>F</i>	<i>df1</i>	<i>df2</i>	<i>p</i>
Product attitude	5.93	2	174	.00
Product quality	1.40	2	174	.24

Preliminary Analysis

A confirmatory factor analysis (CFA) was performed in order to assess the measurement model using maximum likelihood estimation. Model fit statistics showed that the model fit was acceptable (Hu & Bentler, 1999: $\chi^2 (65) = 175.33$, $\chi^2/df = 2.69$, comparative fit index (CFI) = .96, normed fit index (NFI) = .94, goodness-of-fit index (GFI) = .87, Tucker-Lewis index (TLI) = .95, and root mean square error of approximation (RMSEA) = .09 (mediocre fit < .10; MacCallum, Brown, & Sugawara, 1996). Table 10 shows the items and their loadings. Construct reliability was also checked by estimating composite reliability. Each construct was shown to have a fairly high reliability, ranging from .89 to .94, which were above Hair et al.'s (1998) suggestion of .70 (Table 10). The Cronbach's alphas for psychological ownership, product attitude, and product quality measures were .96, .95, and .91, respectively. Thus, they demonstrated acceptable internal reliability for all scales (Cronbach, 1951). The average variance extracted (AVE) of each construct was greater than .50 (Fornell & Larcker, 1981), which confirmed convergent validity (Fornell & Larcker, 1981). Furthermore, for each construct, the AVE was greater than the squared correlation coefficient between associated pairs of constructs, confirming discriminant validity (Table 11).

Table 10. Measurement Model Statistics of Study1

Name of Scale	Items	Factor Loading	CR	α	AVE
Psychological ownership	1. Although I do not own this product yet, I have the feeling that this is 'my' canvas bag	.74	.94	.96	.73
	2. These canvas shoes incorporate a part of my self	.82			
	3. I feel that these canvas shoes belong to me	.89			
	4. I feel connected to these canvas shoes	.90 .89			
	5. I feel a strong sense of closeness with these canvas shoes	.88			
	6. It is easy for me to think of these canvas shoes as mine				
Product attitude	My attitude toward the above product is:	.86	.94	.95	.79
	1. Unfavorable/Favorable	.90			
	2. Bad/Good	.90			
	3. Negative/Positive	.90			
	4. Dislike/Like				
Product quality	1. Extremely low quality/Extremely high quality	.85	.89	.91	.74
	2. Very little durability/Very high durability	.88			
	3. Very unreliable/Very reliable	.85			

Table 11. Convergent and Discriminant Validity of Study1

	Psychological ownership	Product attitude	Product quality
Psychological ownership	.74		
Product attitude	.41	.79	
Product quality	.31	.55	.74

Note. The numbers along the diagonal line are the average variances extracted for each construct. The numbers below the diagonal show the squared coefficients between the constructs.

Manipulation Check

A manipulation check was used in order to determine the success of manipulation in this study. One-way ANOVA, followed by the least square difference (LSD) pairwise multiple comparison, were conducted. As expected, the results confirmed that the participants had significant differences in perceived autonomy across the three empowerment strategies ($F(2,174) = 20.23, p < .001$). Specifically, participants in the empowerment-to-create condition ($n = 57, M = 5.80, SD = .91$) perceived higher autonomy in their task than those in the empowerment-to-select condition ($n = 56, M = 5.08, SD = .87$), as well as those in the non-empowerment condition ($n = 64, M = 4.68, SD = 1.10$) (Table 12). The mean score for the baseline condition (non-empowerment) seemed high ($M = 4.68$), but it was kept, as it was still lower than its median value ($M = 5.17$). Next, the post-hoc test using least significance difference (LSD) indicated that the manipulation of empowerment strategies was successful. The results showed that there were significant differences between the empowerment-to-create and empowerment-to-select conditions ($M_{\text{difference}} = .72, SE = .18, p < .001$), between the empowerment-to-create and baseline/non-empowerment conditions ($M_{\text{difference}} = 1.12, SE = .17, p < .001$), and between the empowerment-to-select and baseline/non-empowerment conditions ($M_{\text{difference}} = .397, SE = .18, p = .03$), thus verifying the success of the experimental manipulation (Table 13).

Table 12. Study 1 ANOVA Results for the Empowerment Strategy Manipulation Check

Measure	E-to-create	E-to-select	Non-e	$F(2,174)$	p
	($n=57$)	($n=56$)	($n=64$)		
	$M (SD)$	$M (SD)$	$M (SD)$		
Perceived autonomy	5.80 (.91)	5.08 (.87)	4.68 (1.10)	20.23	<.001

Table 13. Study 1 Post-Hoc Test Results of the Three Empowerment Strategy Groups

Measure	E-to-create vs. E-to-select	E-to-create vs. Non-e	E-to-select vs. Non-e
	$M_{\text{difference}} (SE)$	$M_{\text{difference}} (SE)$	$M_{\text{difference}} (SE)$
Perceived autonomy	.72 (.18) $p < .001$	1.12 (.17) $p < .001$.397 (.18) $p = .03$

Hypothesis Testing

In order to analyze the main effect of empowerment strategies on empowerment outcomes, one-way ANOVA were conducted followed by the least square difference (LSD) pairwise multiple comparison.

Product attitude. The results confirmed that the effect of empowerment strategies on product attitude were significant ($F(2, 174) = 12.46, p < .001, \eta_p^2 < .001$), indicating that product attitude differed by the level of empowerment strategies. Post-hoc analyses using the least square difference (LSD) pairwise multiple comparison indicated that participants in the empowerment-to-create condition exhibited higher product attitude ($n = 57, M = 5.87, SD = 1.00$) than those in the empowerment-to-select condition ($n = 56, M = 5.33, SD = 1.25$) and non-empowerment condition ($n = 64, M = 4.73, SD = 1.48$) (Table 14) (Figure 6). In addition, product attitude was significantly different between the

Table 14. Study 1 ANOVA Results for the Empowerment Strategy on Product Attitude

Measure	E-to-create (n=57)	E-to-select (n=56)	Non-e (n=64)			
	<i>M (SD)</i>	<i>M (SD)</i>	<i>M (SD)</i>	<i>F(2,174)</i>	<i>p</i>	η_p^2
Product attitude	5.87 (1.00)	5.33 (1.25)	4.73 (1.48)	12.46	<.001	.00

Table 15. Study 1 Post-Hoc Test Results of the Three Empowerment Strategy Groups on Product Attitude

Measure	E-to-create vs. E-to-select	E-to-create vs. Non-e	E-to-select vs. Non-e
	<i>M_{difference} (SE)</i>	<i>M_{difference} (SE)</i>	<i>M_{difference} (SE)</i>
Product attitude	.72 (.18) <i>p</i> = .02	1.12 (.17) <i>p</i> < .001	.39 (.17) <i>p</i> < .01



Figure 6. The Main Effect on Product Attitude

empowerment-to-create condition and empowerment-to-select ($M_{\text{difference}} = .54, SE = .23, p = .02$), between empowerment-to-create and the baseline/non-empowerment condition ($M_{\text{difference}} = 1.15, SE = .23, p < .001$), and between empowerment-to-select and the non-empowerment condition ($M_{\text{difference}} = .60, SE = .23, p < .01$) (Table 15). Thus, H1a was confirmed.

Product quality. The results confirmed that the effect of empowerment strategies on product quality was significant ($F(2, 174) = 4.35, p < .01, \eta_p^2 = .04$), suggesting that perceived product quality varied depending on the level of empowerment strategies. Participants in the empowerment-to-create condition exhibited higher product quality ($n = 57, M = 5.18, SD = 1.09$) than those in the empowerment-to-select condition ($n = 56, M = 5.02, SD = 1.04$) and the non-empowerment condition ($n = 64, M = 4.59, SD = 1.24$) (Table 16) (Figure 7). Post-hoc tests revealed that there was no significant difference between the use of the empowerment-to-create condition or select condition ($M_{\text{difference}} = .16, SE = .21, p = .44$). There was also a significant difference on product quality between empowerment-to-create and the non-empowerment to-condition ($M_{\text{difference}} = .58, SE = .20, p = .005$), and between empowerment-to-select and the non-empowerment condition ($M_{\text{difference}} = .42, SE = .20, p = .04$) (Table 17). Thus, H1b was partially supported.

Table 16. Study 1 ANOVA Results for the Empowerment Strategy on Product Quality

Measure	E-to-create (<i>n</i> = 57)	E-to-select (<i>n</i> =56)	Non-e (<i>n</i> =64)			
	<i>M</i> (<i>SD</i>)	<i>M</i> (<i>SD</i>)	<i>M</i> (<i>SD</i>)	<i>F</i> (2,174)	<i>p</i>	η_p^2
Product quality	5.18 (1.09)	5.02 (1.04)	4.59 (1.24)	4.35	<.01	.04

Table 17. Study 1 Post-Hoc Test Results of the Three Empowerment Strategy Groups on Product Quality

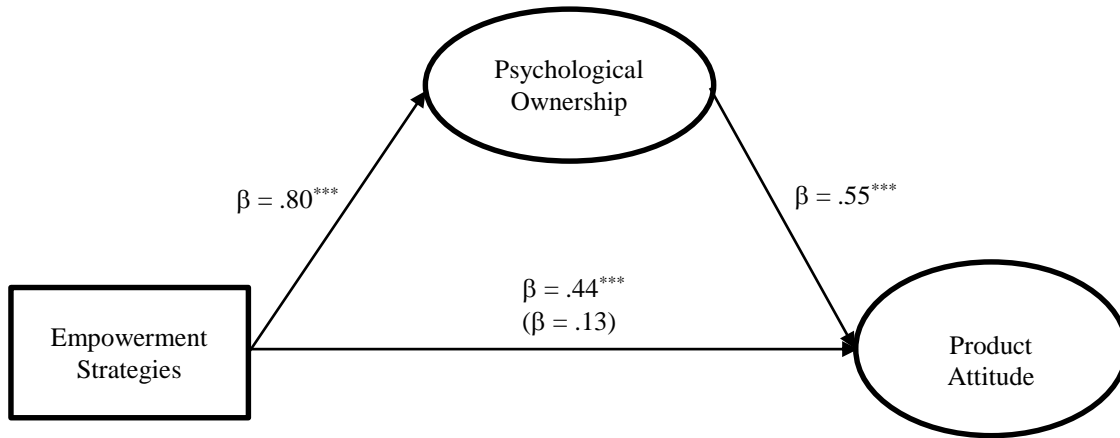
Measure	E-to-create vs. E-to-select	E-to-create vs. Non-e	E-to-select vs. Non-e
	<i>M</i> _{difference} (<i>SE</i>)	<i>M</i> _{difference} (<i>SE</i>)	<i>M</i> _{difference} (<i>SE</i>)
Product quality	.16 (.21) <i>p</i> = .44	.58(.20) <i>p</i> = .005	.42 (.20) <i>p</i> = .04



Figure 7. The Main Effect on Product Quality

In order to explore how three types of empowerment strategies lead to empowerment outcomes through psychological ownership, this study performed mediation analyses using PROCESS with 5000 bootstrap samples (Hayes, 2013, Model 4). For the mediating test, non-empowerment condition was entered as a dummy variable: non-empowerment = 0; empowerment-to-select = 1; empowerment-to-create = 2.

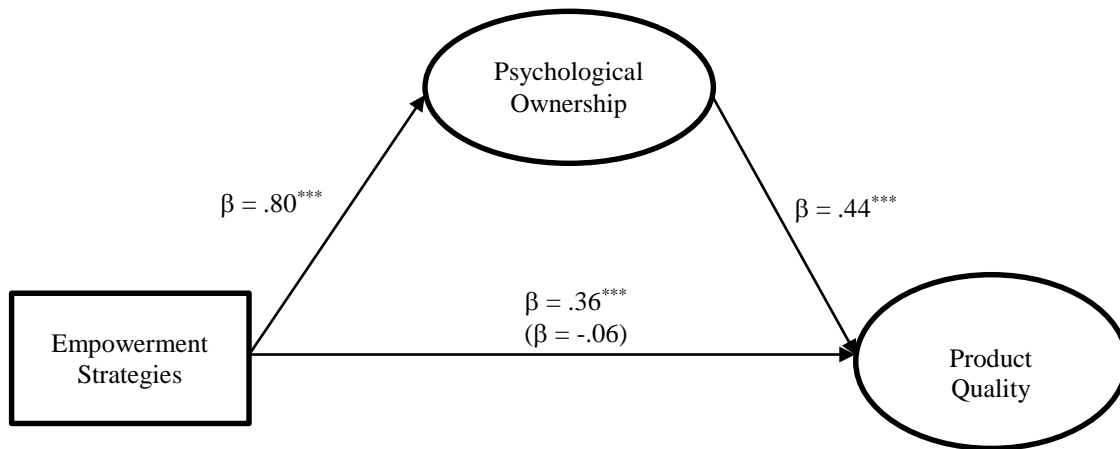
Psychological ownership as a mediator. First, the PROCESS model was used in order to analyze the mediation of psychological ownership on the effect of empowerment strategies on product attitude. The results of regression analysis revealed that empowerment strategies predicted psychological ownership ($\beta = .80, SE = .13, p < .001$), which further influenced product attitude ($\beta = .55, SE = .05, p < .001$), suggesting that the mediation had occurred. Empowerment strategies were no longer the significant predictor of product attitude after controlling for the effect of psychological ownership ($\beta = .13, SE = .09, p = .16$). However, the indirect effect coefficient was significant ($\beta = .44, 95\% CI = .27 \text{ to } .62$) indicating full mediation (Figure 8). Therefore, H2a suggesting that as the level of empowerment increases, so does product attitude via stronger psychological ownership was supported.



Notes: Bootstrapped 95% CI for indirect effect = [.27 to .62]; the β coefficient for the effect of empowerment strategies on product attitude after accounting for the mediator is shown in parentheses; * $p < .05$; ** $p < .01$; *** $p < .001$

Figure 8. Mediation Model of Product Attitude with Empowerment Strategies of Study 1

The second PROCESS model was run in order to test whether or not psychological ownership mediated the effect of empowerment strategies on product quality. The results of the regression analysis revealed that empowerment strategies provoked psychological ownership ($\beta = .80, SE = .13, p < .001$), which further influenced product quality ($\beta = .44, SE = .04, p < .001$). These results support the mediation hypothesis. Empowerment strategies were no longer the significant predictor of product quality after controlling for the mediator—psychological ownership—positively ($\beta = -.06, SE = .09, p = .49$, indicating full mediation. Supporting this proposition, the indirect effect coefficient was significant ($\beta = .36, 95\%, CI = .22 \text{ to } .50$) (Figure 9). Therefore, H2b suggesting that as the level of empowerment increases, so does product quality through stronger psychological ownership was confirmed.



Notes: Bootstrapped 95% CI for indirect effect = [.22 to .50]; the β coefficient for the effect of empowerment strategies on product quality after accounting for the mediator is shown in parentheses; * $p < .05$; ** $p < .01$; *** $p < .001$

Figure 9. Mediation Model of Product Quality with Empowerment Strategies of Study 1

Pre-test 3: Brand Selection

Pre-test 3 intended to select appropriate two types of fashion brands—a luxury fashion brand and a mass-market fashion brand. In order to select two fashion brands which each represent a luxury and a mass market fashion brand, researchers reviewed sources about top millennial brands (e.g., Nazario, 2015; Taylor, 2017) and compiled a list of luxury and mass fashion brands favored by millennials. For luxury fashion brands, ten brands were selected: Chanel, Christian Louboutin, Coach, Fendi, Gucci, Kate Spade, Louis Vuitton, Marc Jacobs, Michael Kors, and Prada. Ten mass-market fashion brands were also chosen: Aeropostale, American Eagle Outfitters, Banana Republic, Free People, Gap, Levi’s, Madewell, Nike, Old Navy, and POLO.

An online survey was distributed via MTurk. A total of 77 participants residing in the United States were recruited. This study limited participants to female millennials

(between the ages of 22 and 37). Female participants were selected for this study because gender differences may exist with respect to the preference of fashion brands, and females are considered to be more brand-conscious than men (Erdil, 2015; Dholakia, 1999). Moreover, using a sample of females is a common practice in research on fashion brands and products (Berger & Ward, 2010; Jordaan et al., 2006). A small monetary reward (\$.50) was given in exchange for their participation. The mean age of the sample was 29.6 years ($SD = 4.24$; ranging 21 to 36).

Given the list of 20 brand names, each participant assessed brand familiarity, brand attitude, and perceived luxury on a 7-point semantic differential scales. Specifically, brand familiarity was measured by one item (Baker, Hutchinson, Moore, & Nedungai, 1986): “To me this brand is” “1 = “Very Unfamiliar” and “7 = “Very familiar.” Brand attitude was measured by one item (Moore & Homer, 2008): “My attitude toward this brand” “1 = “Extremely Dislike” and “7 = “Extremely Like.” Perceived luxury was also measured by one item (Hagtvedt & Patrick, 2008): “To me this brand is” “1 = “Not Very Luxurious” and “7 = “Very Luxurious”. Lastly, participants filled out the simple demographic questions.

Two final brands needed to meet three requirements: (1) both were to achieve scores above the mean for both brand familiarity and brand attitude; (2) there are no difference in brand attitude and brand familiarity between the two brands; and (3) there must be a significant difference in perceived luxury between them. Based on the examinations of mean scores, two brands were selected to be used in Study 2: Chanel as a luxury fashion brand and POLO as a mass-market fashion brand.

Pre-test 4: Product Design Selection

Pre-test 4 was employed in order to select five product designs for the main study 2. A handbag was used as a focal product category in Study 2. For Study 2, because of its current popularity and commercial application to co-creation by customers, a canvas bag was used as a fashion product category (e.g., 4over4.com, 2016). Ten different designs of women's bags were created by a professional designer (See Table 18). The experiment sequences were consistent with Pre-test 1.

An online survey link was created on Qualtrics.com and distributed via MTurk. In order to collect relevant responses in the context of this study, respondents were limited to female millennials who were between 22 and 37 years old. The selection of the canvas handbag was deemed suitable for this population group, as it is one of the most frequently purchased fashion items among women (Fiore, 2008; Humphreys & Grayson, 2008).

A total of 63 participants completed the survey, and the respondents received a small monetary incentive of \$.50 for their participation. The mean age of the sample was 28.3 years ($SD = 4.36$; range = 22 to 37). Upon arrival at the survey link, participants were asked to read a consent form. After agreeing to participate in the survey, they were randomly exposed to two of the ten handbag images. After respondents viewed the assigned images, they answered questionnaires measuring their attitude toward the bags and demographics. To measure attitude toward the bag, four items were used on a 7-point semantic differential scale: "Bad/Good," "Negative/Positive," "Unfavorable/Favorable," and "Dislike/Like." The acceptable reliabilities for this scale were reported in a prior study ($\alpha > .95$, Perkins & Forehand, 2012).

An analysis of mean-comparison was performed in order to select the final five handbag designs. Based on comparisons of means among the ten designs, six handbag designs with the highest mean scores were selected: bag 1 ($M = 4.44$, $SD = 1.75$), bag 2 ($M = 3.93$, $SD = 1.24$), bag 5 ($M = 4.20$, $SD = 1.12$), bag 6 ($M = 5.78$, $SD = .85$), bag 7 ($M = 4.87$, $SD = 1.26$), and bag 10 ($M = 3.92$, $SD = 1.58$).

Study 2

The second main study was conducted in order to test the roles of potential moderators proposed in H3-H7. Specifically, the primary objective of this study was to test the moderating role of brand type on the effect of empowerment strategies on empowerment outcomes. It was expected that, for a luxury brand (vs. mass-market), the empowerment-to-create strategy would be more effective in terms of increasing (a) product attitude and (b) perceived product quality than empowerment-to-select, followed by non-empowerment strategy. The second objective was to test the self-brand connection as a moderator on the relationship between interactive effects of empowerment strategies and brand type on (a) product attitude and (b) perceived product quality. It was expected that, for a luxury fashion brand, the effect of the empowerment strategies would be magnified if consumers had high (vs. low) self-brand connection. The last objective was to examine the mechanism by which such effects would be mediated by psychological ownership.

Table 18. Bag Images for Pretest 4



1 (Selected)



2 (Selected)



3 (Dropped)



4 (Dropped)



5 (Selected)



6 (Selected)



7 (Selected)



8 (Dropped)



9 (Dropped)



10 (Selected)

Research Design

Study 2 which involved one independent variable (empowerment strategy) and two moderators (brand type and self-brand connection) collected data using an experiment design. It employed a 3-factor between-subjects design with two manipulated factors including empowerment strategies (empowerment-to-create vs. empowerment-to-select vs. non-empowerment) and brand type (luxury vs. mass-market brand), and one measured factor (self-brand connection: continuous). Hence, six experimental conditions created were used (Table 19).

Procedure

An online experiment survey was created on Qualtrics and distributed through MTurk. A total of 252 female participants, residing in the U.S., completed the survey. Upon arrival at the survey site, participants read the consent form and a description of the study. As in Study 1, the study collected responses from those who had agreed to create and submit the design for a canvas handbag during the survey. Before participants were assigned to the experimental condition, they completed a questionnaire concerning self-brand connection. Then they were randomly assigned to one of the six experiment conditions in which they undertook a task given in the condition and answered questionnaires capturing manipulation check, product attitude, perceived product quality, and demographics.

Table 19. Experimental Conditions for Study 2

	Type of empowerment strategy		
	E-to-create	E-to-select	Non-e
Brand type			
Luxury brand	E-to-create by CHANEL	E-to-select by CHANEL	Non-e by CHANEL
Mass-market brand	E-to-create by POLO	E-to-select by POLO	Non-E by POLO

Stimuli

The textual information describing empowerment strategies were the same as the ones used in Study 1. In the empowerment-to-create condition, participants were instructed to create and submit all sorts of creative artwork, such as graffiti, watercolor, illustration, and text design that would be displayed on the brand’s canvas handbag. In the empowerment-to-select condition, participants were instructed to pick their favorite design from five different canvas handbag designs provided and to submit their answer with a number. In the non-empowerment condition, participants were guided to review general online shopping website. The brand’s online stores displaying the three empowerment strategies were designed to be as close to the actual brand website as possible (See Appendix A).

Measures

Self-brand connection. Self-brand connection was measured using the six times from prior literature (Moor & Homer, 2008). The items included: (1) “I feel as though I

can relate to this brand,” (2) “I think this brand helps me become the type of person I want to be,” (3) “I feel affection for this brand,” (4) “I would wear this brand to communicate who I am to other people,” (5) “I have strong positive feelings about this brand,” and (6) “I have an interest in developing a relationship with this brand.” The items were assessed using a 7-point Likert scale ranging from “Strongly Disagree” (1) to “Strongly Agree” (7). The Cronbach’s alpha coefficient for perceived luxury was .95 in the prior study (Moor & Homer, 2008).

Perceived autonomy. The same items used for Study 1 (Hagger & Chatzisarantis, 2007) were used in Study 2 in order to perform a manipulation check for empowerment strategy. Perceived autonomy was measured using four items: (1) “Shopping at CHANEL/POLO makes me feel controlled and pressured to be certain ways,” (2) “Shopping at CHANEL/POLO makes me feel free to be who I am,” (3) “I feel that my choices are based on my true interests and values,” (4) I feel free to do things my own way,” and (5) “I feel that my choices express my true self.” The items were assessed using a 7-point Likert scale ranging from “Strongly Disagree” (1) to “Strongly Agree” (7).

Perceived luxury. In order to confirm the brand type manipulation luxury (Hagtvedt & Patrick, 2008), participants were asked to indicate the degree of their perceived luxury level of the given brand using one item (Hagtvedt & Patrick, 2008): “Not very luxurious/Very luxurious.” The item was measured on a 7-point semantic differential scale.

Psychological ownership. Psychological ownership was measured using six items (e.g., “Although I do not own this product yet, I have the feeling that this is my canvas bag,” “It is easy for me to think of this canvas bag as mine”). The answers were recorded using a 7-point Likert scale from “1=Strongly Disagree” to “7=Strongly Agree.” According to Van Dyne and Pierce (2004), the Cronbach’s alpha coefficient for psychological ownership was .95.

Product attitude. Product attitude was measured using a 7-point semantic differential scale. Product attitude was measured with four items: “Unfavorable/Favorable,” “Bad/Good,” “Negative/Positive,” and “Dislike/Like,” anchored by “1=Strongly Disagree” and “7=Strongly Agree.” The Cronbach’s alpha coefficient for product attitude items was over .90 in the prior study (Perkins & Forehand, 2012).

Product quality. Product quality was measured using three items answered on a 7-point semantic differential scale (Jo & Sarigollu, 2007). The items in this study included: “Extremely low quality/Extremely high quality,” “Very little durability/Very high durability,” and “Very unreliable/Very reliable.” The Cronbach’s alpha coefficient for the product quality was .90 in the previous study (Jo & Sarigollu, 2007).

Results

Demographics of Participants

A total of 252 female participants completed the survey. The mean age was 29.4, with ages ranging from 22 to 37. The majority of the respondents were White/Caucasian

American (66.7 %), followed by Black/African-American (11.5 %) and Asian American (11.9 %). Over two thirds (62.3 %) of the household incomes represented by the participants was between \$35,000 and \$99,999 (see Table 20).

Assumption Check

Basic assumptions (i.e., normality, equal variances between sample) were checked before running the hypothesis tests. The assumptions for ANOVA were met. The normality assumption is confirmed when the skewness and kurtosis values for each measurement item were within the acceptable range of ± 1.96 (Mardia, 1970). The results satisfied this assumption, with the skewness and kurtosis values ranging from -.94 to 1.37 (Table 21). The results of the homogeneity of variance tests indicated that product attitude and product quality were significant at the .05 significance level, suggesting a violation of the assumptions (Table 22). However, since the sample sizes are equal or close to equal across experimental conditions (63 in the empowerment-to-create, 109 in the empowerment-to-select, 80 in the non-empowerment) (Leech et al., 2005), the data was deemed robust to the violation of this assumption, remaining for further analyses.

Table 20. Demographic Characteristics of Participants of Study 2

Demographics	Mean (<i>SD</i>)	Frequency (<i>N</i> = 252)	Percentage
Age	29.4 (4.37)		
20-24		38	15.1
25-30		111	44.0
31-35		75	29.8
Over 35		28	11.1
Ethnic background			
African American		29	11.5
Caucasian American		168	66.7
Hispanic		9	3.6
Native American		9	3.6
Asian American		30	11.9
Multicultural		5	2.0
Income			
Less than \$25,000		33	13.1
\$25,000 to \$34,999		35	13.9
\$35,000 to \$49,999		40	15.9
\$50,000 to \$74,999		79	31.3
\$75,000 to \$99,999		38	15.1
\$100,000 to \$149,999		22	8.7
\$150,000 or more		5	2.0

Table 21. Skewness and Kurtosis Value of Study 2

Dependent variable	Mean	<i>SD</i>	Skewness	Kurtosis
Product attitude	4.74	1.54	-0.57	-0.31
Product quality	5.25	1.21	-0.94	1.37

Table 22. Levene's Test of Equality of Error Variances of Study 2

Dependent variable	<i>F</i>	<i>df</i> 1	<i>df</i> 2	<i>p</i>
Product attitude	1.62	56	116	.00
Product quality	2.43	56	116	.01

Preliminary Analysis

A confirmatory factor analysis (CFA) was performed in order to assess the measurement model using a maximum likelihood estimation. Model fit statistics showed that the model fitted the data well (Hu & Bentler, 1999): $\chi^2 (62) = 163.14$, $\chi^2/df = 2.63$, comparative fit index (CFI) = .96, normed fit index (NFI) = .94, goodness-of-fit index (GFI) = .89, Tucker-Lewis index (TLI) = .95, and root mean square error of approximation (RMSEA) = .08. Table 23 shows the items and their loadings. Also, composite reliability (CR) for all constructs was higher than .70 (psychological ownership = .96; product attitude = .96; product quality = .90) (see Table 23). Cronbach's alphas of all scales were satisfactory, with psychological ownership ($\alpha = .96$), product attitude ($\alpha = .95$), and product quality ($\alpha = .89$). The AVE for each construct was greater than .50 (psychological ownership = .82; product attitude = .85; product quality = .75), confirming convergent validity. The AVE was greater than the squared correlation coefficient between associated pairs of constructs, establishing discriminant validity (see Table 23). Therefore, CR, Cronbach's alpha, AVE, and convergent and discriminant validity were all confirmed (Table 24).

Table 23. Measurement Model Statistics of Study 2

Name of Scale	Items	Factor Loading	CR	α	AVE
Psychological ownership	1. Although I do not own this product yet, I have the feeling that this is 'my' canvas bag	.88	.96	.96	.82
	2. This canvas bag incorporates a part of my self	.88			
	3. I feel that this canvas bag belongs to me	.93			
	4. I feel connected to this canvas bag.	.93			
	5. I feel a strong sense of closeness with this canvas bag	.91			
	6. It is easy for me to think of this canvas bag as mine	.89			
Product attitude	My attitude toward the above product is:	.93	.96	.95	.85
	1. Unfavorable/fFvorable	.95			
	2. Bad/Good	.94			
	3. Negative/Positive	.86			
	4. Dislike/Like				
Product quality	1. Extremely low quality/Extremely high quality	.82 .92	.90	.89	.75
	2. Very little durability/Very high durability	.84			
	3. Very unreliable/Very reliable				

Table 24. Convergent and Discriminant Validity of Study 2

	Psychological ownership	Product attitude	Product quality
Psychological ownership	.82		
Product attitude	.55	.85	
Product quality	.13	.43	.75

Note. The numbers along the diagonal line are the average variances extracted for each construct. The numbers below the diagonal show the squared correlation coefficients between the constructs.

Manipulation Check

A manipulation check was performed in order to assess the manipulation of empowerment strategies and brand type. To check the successful manipulation of empowerment strategies, one-way ANOVA and the least square difference (LSD) tests were conducted. The first ANOVA results revealed that the participants had significant differences in their perceived autonomy across the three empowerment strategies ($F(2,249) = 11.21, p < .001$). Specifically, participants in the empowerment-to-create condition ($n = 63, M = 5.32, SD = .99$) perceived higher autonomy in their task than those in the empowerment-to-select condition ($n = 109, M = 4.72, SD = 1.28$) and the non-empowerment condition ($n = 80, M = 4.34, SD = 1.33$). The mean score of the non-empowerment condition was fairly high ($M = 4.34, SD = 1.33$), but it was still lower than the median value ($M = 4.75, SD = 1.28$) and was kept for further analyses (Table 25). Next, the post-hoc test using least significance difference (LSD) also supported the manipulation of empowerment strategies. The results showed that there were significant differences between the empowerment-to-create and empowerment-to-select condition ($M_{\text{difference}} = .60, SE = .19, p = .002$), between the empowerment-to-create and non-empowerment condition ($M_{\text{difference}} = .98, SE = .21, p < .001$), and between the empowerment-to-select and non-empowerment condition ($M_{\text{difference}} = .38, SE = .18, p = .03$) (Table 26). Therefore, the empowerment strategy manipulation was successful.

Table 25. Study 2 ANOVA Results for the Empowerment Strategy Manipulation Check

Measure	E-to-create (<i>n</i> = 63)	E-to-select (<i>n</i> = 109)	Non-e (<i>n</i> = 80)		
	<i>M</i> (<i>SD</i>)	<i>M</i> (<i>SD</i>)	<i>M</i> (<i>SD</i>)	<i>F</i> (2,249)	<i>p</i>
Perceived autonomy	5.32 (.99)	4.72 (1.28)	4.34 (1.33)	11.21	<.001

Table 26. Study 2 Post-Hoc Test Results of the Three Empowerment Strategy Groups

Measure	E-to-create vs. E-to-select	E-to-create vs. Non-e	E-to-select vs. Non-e
	<i>M</i> _{difference} (<i>SE</i>)	<i>M</i> _{difference} (<i>SE</i>)	<i>M</i> _{difference} (<i>SE</i>)
Perceived autonomy	.60 (.19) <i>p</i> = .002	.98 (.21) <i>p</i> < .001	.38 (.18) <i>p</i> = .03

The paired sample t-test was conducted in order to assess the manipulation of brand type. The result showed that consumers perceived significant difference in their perceived luxury toward CHANEL and POLO. Participants evaluated CHANEL to be significantly more luxurious ($M = 6.29, SD = .99$) than POLO ($M = 4.31, SD = 1.48, t(251) = 18.47, p < .001$). Thus, manipulation of brand type was confirmed.

Hypotheses Testing

MANOVA were conducted to analyze whether brand type moderates the effects of empowerment strategies on empowerment outcomes.

First, MANOVA was performed to test the moderating role of brand type on the relationship between empowerment strategies and product attitude. The results indicated that the interaction effects of empowerment strategies and brand type on product attitude were significant ($F(2,246) = 5.03, p = .007, \eta_p^2 = .03$). Further, the empowerment

strategy factor had a significant main effect on product attitude ($F(1,246) = 3.14, p = .04, \eta_p^2 = .02$) but brand type did not ($F(1,246) = .25, p = .61, \eta_p^2 = .00$) (see Table 27).

Next, the results of post-hoc tests using the least square difference (LSD) revealed that in the luxury brand setting, the empowerment-to-create condition ($M = 5.65, SD = .26$) generated higher product attitude than the empowerment-to-select ($M = 5.19, SD = .20$) and the non-empowerment conditions ($M = 4.33, SD = .22$) (Table 28). There was no significant difference in product attitude between the empowerment-to-create and empowerment-to-select conditions ($M_{\text{difference}} = .45, SE = .33, p = .17$), suggesting that H3a was not supported. The empowerment-to-create condition showed higher product attitude than the non-empowerment condition ($M_{\text{difference}} = 1.31, SE = .34, p < .001$), and the empowerment-to-select condition showed higher product attitude than the non-empowerment condition ($M_{\text{difference}} = .86, SE = .30, p = .005$) (Table 28). Therefore, H3b and H3c were supported.

Table 27. Two-way MANOVA Results of Product Attitude

	$F(2, 246)$	p	η_p^2
Empowerment strategies	3.14	.04	.02
Brand type	.25	.61	.00
Empowerment strategies X Brand type	5.03	.007	.03

Table 28. Mean Values and LSD post-hoc Comparison Results of Product Attitude

	E-to-create (a)		E-to-select (b)		Non-e (c)	
Luxury (n=131)						
Mean	5.65	c	5.19	a,c	4.33	a,b
SE	.26		.20		.22	
Mass (n=121)						
Mean	5.05		4.73		5.10	
SE	.27		.20		.24	

Note: Using LSD post hoc comparisons, mean comparison among each condition differ at $p < .05$.

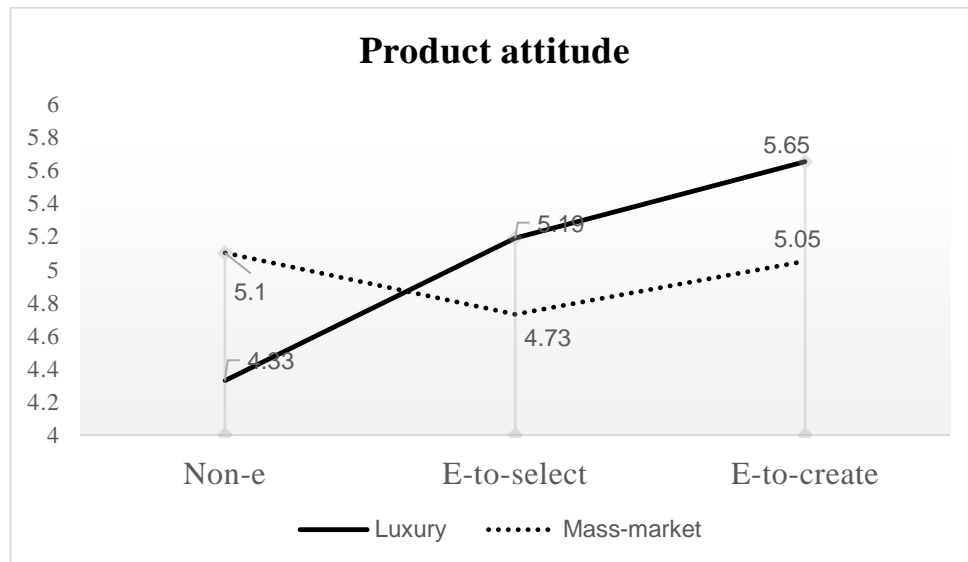


Figure 10. Interaction Effect on Product Attitude

Second, a two-way MANOVA was performed to test the moderating role of brand type in the relationship between empowerment strategies and product quality. The results showed no significant interaction effects of empowerment strategies and brand type concerning product quality ($F(2,246) = 1.32, p = .26, \eta_p^2 = .01$). Neither the main effect of empowerment strategies on product quality ($F(1,246) = 1.25, p = .28, \eta_p^2 = .01$) nor that of brand type on product quality ($F(1,246) = 7.41, p = .007, \eta_p^2 = .01$) was significant (see Table 29).

Following post-hoc tests using the least square difference (LSD) revealed that for a luxury brand, empowerment-to-create condition ($M = 5.58, SD = .20$) generated higher perceived product quality than empowerment-to-select ($M = 5.37, SD = .16$), and non-empowerment ($M = 5.45, SD = .18$). (Table 30) However, the difference in product quality was not significant between empowerment-to-create condition and empowerment-to-select ($M_{\text{difference}} = .21, SE = .26, p = .42$), between empowerment-to-create and non-empowerment condition ($M_{\text{difference}} = .12, SE = .27, p = .65$), and between empowerment-to-select and the non-empowerment condition ($M_{\text{difference}} = .08, SE = .24, p = .72$) (Table 39). Thus, H4a,b, and c are rejected.

Table 29. Two-way ANOVA Results of Product Quality

	$F(2, 246)$	p	η_p^2
Empowerment strategies	1.25	.28	.01
Brand type	7.41	.007	.02
Empowerment strategies X Brand type	1.32	.26	.01

Table 30. Mean Values and LSD post-hoc Comparison Results of Product Quality

	E-to-create (a)	E-to-select (b)	Non-e (c)
Luxury ($n=131$)			
Mean	5.58	5.37	5.45
SE	.20	.16	.18
Mass ($n=121$)			
Mean	4.85	4.90	5.37
SE	.19	.16	.21

Note: Using LSD post hoc comparisons, mean comparison among each condition differ at $p < .05$

The hypotheses for Study 2 predicted that the self-brand connection would serve as a moderator of the interactive effects of empowerment strategies and brand type on empowerment outcomes. A three-way factorial multivariate analysis of variance (MANOVA) was performed in order to test the three-way interactions of empowerment strategies, brand type, and self-brand connection on product attitude and product quality.

The results show that there were main effects of empowerment strategies ($F(1, 240) = 3.20, p = .04, \eta_p^2 = .02$) and self-brand connection ($F(1, 240) = 36.78, p < .001, \eta_p^2 = .13$) on product attitude. However, no main effect of brand type on product attitude ($F(1, 240) = 1.00, p = .31, \eta_p^2 = .00$) was found. For product quality, there were no main effects of empowerment strategies ($F(1, 240) = 1.50, p = .22, \eta_p^2 = .01$) and brand type ($F(1, 240) = 3.25, p = .07, \eta_p^2 = .01$). However, there was a main effect of self-brand connection on product quality ($F(1, 240) = 13.01, p < .001, \eta_p^2 = .13$).

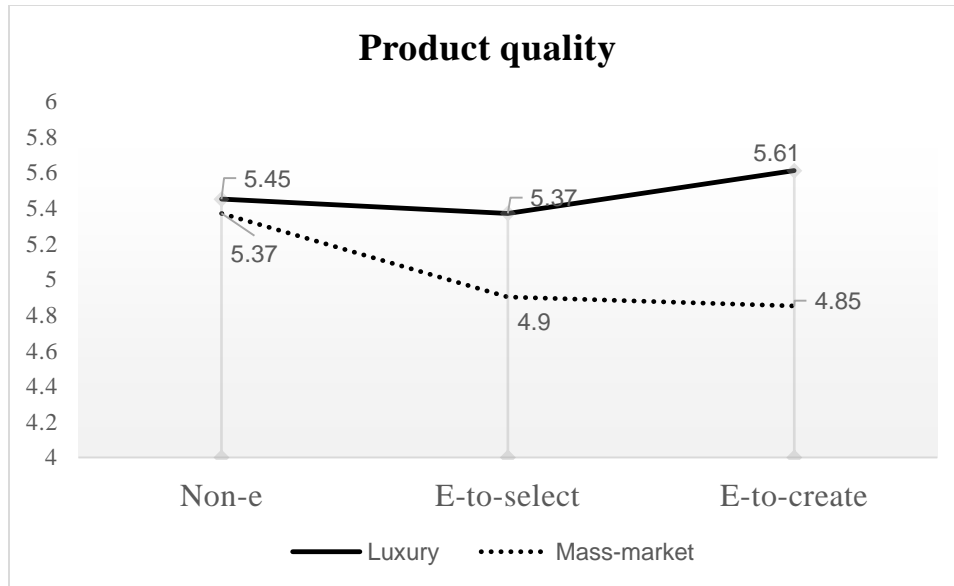


Figure 11. Interaction Effect on Product Quality

The two-way interaction effects between empowerment strategies and brand type on product attitude were significant ($F(2,240) = 3.69, p = .02, \eta_p^2 = .03$). However, the other two-way interaction effects on product attitude were not significant (empowerment strategies X self-brand connection: $F(2,240) = .91, p = .40, \eta_p^2 = .00$; brand type X self-brand connection : $F(2,240) = .23, p = .62, \eta_p^2 = .00$). In terms of product quality, none of the two-way interactions effects were significant (empowerment strategies X brand type: $F(2,240) = .74, p = .47, \eta_p^2 = .00$; empowerment strategies X self-brand connection: $F(2,240) = .47, p = .62, \eta_p^2 = .00$; brand type X self-brand connection: $F(2,240) = .00, p = .99, \eta_p^2 = .00$).

There was no statistically significant three-way interaction effect on product attitude ($F(2, 240) = .57, p = .56, \eta_p^2 = .00$) and product quality ($F(2, 240) = .97, p = .37, \eta_p^2 = .00$). The results are presented in Table 31.

Table 31. Three-way Interaction Effects on Dependent Variables

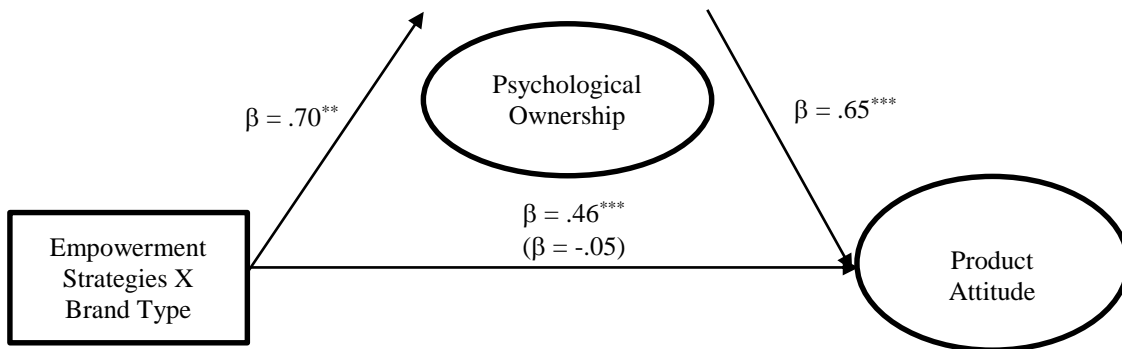
	<i>df</i>	<i>F</i>	<i>p</i>	η_p^2
<i>Product attitude</i>				
Empowerment strategies (ES)	1	3.20	.04	.02
Brand type (BT)	1	1.00	.31	.00
Self-brand Connection (SBC)	1	36.78	.00	.13
ES × BT	2	3.69	.02	.03
ES × SBC	2	.91	.40	.00
BT × SBC	2	.23	.62	.00
ES × BT × SBC	2	.57	.56	.00
<i>Product quality</i>				
Empowerment strategies (ES)	1	1.50	.22	.01
Brand type (BT)	1	3.25	.07	.01
Self-brand Connection (SBC)	1	13.01	.00	.13
ES × BT	2	.74	.47	.00
ES × SBC	2	.47	.62	.00
BT × SBC	2	.00	.99	.00
ES × BT × SB	2	.97	.37	.00

The first PROCESS model was used in order to analyze the mediation of psychological ownership on the interactive effects of empowerment strategies and brand type on product attitude. For the mediating test, type of empowerment strategy was entered as a dummy variable: non-empowerment = 0; empowerment-to-select = 1; empowerment-to-create = 2. Mass-market brand condition was entered as a dummy variable: mass-market brand = 0; luxury brand = 1.

The result suggested that the empowerment strategies X brand type interaction predicted psychological ownership ($\beta = .70, t = 2.93, p = .003$).

Next, a regression predicting product attitude revealed that psychological ownership had a main effect ($\beta = .65, t = 16.24, p < .001$), while the main effect of

empowerment strategies did not predict product attitude ($\beta = -.05, t = -.72, p = .46$). This confirms the presence of full mediation of psychological ownership on the relationship between empowerment strategies and brand type ($\beta = .46, 95\% \text{ CI} = .15 \text{ to } .79$) (see Figure 12). Overall, in the luxury fashion brand, empowerment-to-create was more likely to increase product attitude through consumers' psychological ownership compared to those of empowerment-to-select and non-empowerment ($\beta = .37, 95\% \text{ CI} = .16 \text{ to } .60$). In the mass-market brand, however, non-empowerment did not enhance product attitude via psychological ownership ($\beta = -.08, 95\% \text{ CI} = -.31 \text{ to } .12$). Together, since the mediating role of psychological ownership was confirmed, H6a was supported.

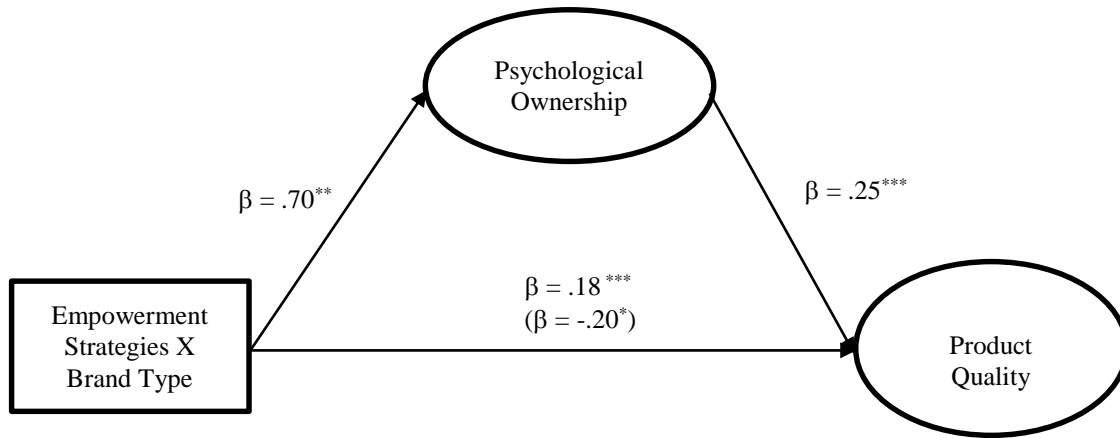


Notes: Bootstrapped 95% CI for indirect effect = [.15 to .79]; the β coefficient for the interaction effect between empowerment strategies and brand type on product attitude after accounting for the mediator is shown in parentheses; * $p < .05$; ** $p < .01$; *** $p < .001$

Figure 12. Mediated Moderation on Product Attitude

A second PROCESS model was used in order to analyze the mediation of psychological ownership on the interactive effects of empowerment strategies and brand type on product quality. For the mediating test, type of empowerment strategy was entered as a dummy variable: non-empowerment = 0; empowerment-to-select = 1; empowerment-to-create = 2. Brand type was entered as a dummy variable: mass-market brand = 0; luxury brand = 1.

The result suggested that the empowerment strategies X brand type interaction predicted psychological ownership ($\beta = .70, t = 2.93, p = .003$). Next, a regression predicting product quality revealed that psychological ownership had a main effect ($\beta = .25, t = 5.92, p < .001$) as did empowerment strategies ($\beta = -.20, t = -2.48, p = .013$), suggesting the presence of partial moderated mediation ($\beta = .18, 95\% \text{ CI} = .05 \text{ to } .34$) (see Figure 13). In the luxury fashion brand, empowerment-to-create increased product attitude through consumers' psychological ownership, and such effect was greater than those of empowerment-to-select and non-empowerment ($\beta = .14, 95\% \text{ CI} = .05 \text{ to } .25$). In the mass-market brand, non-empowerment did not increase product attitude via psychological ownership ($\beta = -.03, 95\% \text{ CI} = -.13 \text{ to } .04$) (see Figure 13). Thus, H6b was supported.



Notes: Bootstrapped 95% CI for indirect effect = [.05 to .34]; the β coefficient for the interaction effect between empowerment strategies and brand type on product quality after accounting for the mediator is shown in parentheses; * $p < .05$; ** $p < .01$; *** $p < .001$

Figure 13. Mediated Moderation on Product Quality

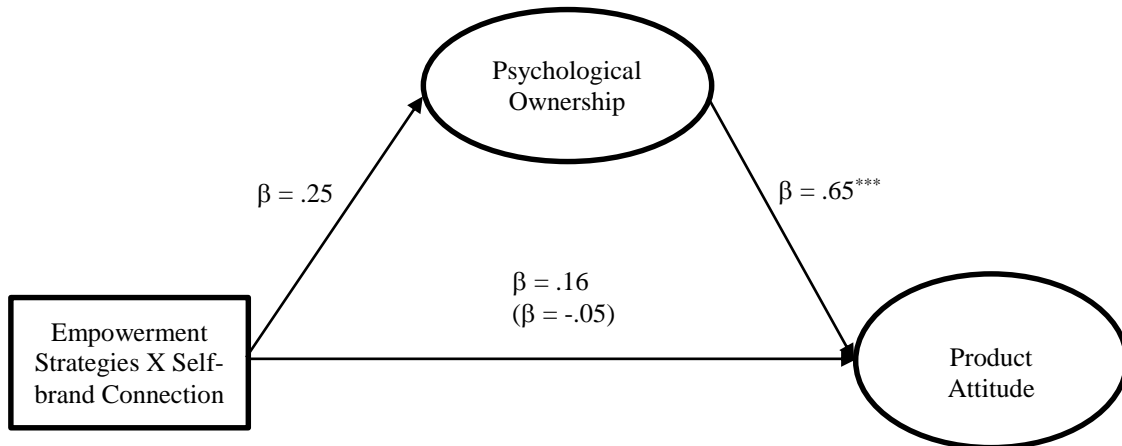
A third PROCESS model was used in order to analyze the mediation of psychological ownership on the interactive effects of empowerment strategies and self-brand connection on product attitude. For the mediating test, type of empowerment strategy was entered as a dummy variable: non-empowerment = 0; empowerment-to-select = 1; empowerment-to-create = 2, respectively. Brand type was coded: mass-market brand = 0; luxury brand = 1. High and low self-brand connection conditions were dummy coded using median split: low self-brand connection = 0; high self-brand connection = 1.

The result suggested that the interaction effects of empowerment strategies and self-brand connection did not predict psychological ownership ($\beta = .25, t = 1.15, p = .24$). Next, a regression predicting product attitude revealed that psychological ownership ($\beta = .65, t = 16.24, p < .001$) had a main effect, while empowerment strategies had no main effect ($\beta = -.05, t = -.72, p = .46$). The findings suggested that no moderated mediation

had occurred ($\beta = .16$, 95% CI = $-.10$ to $.44$). Interestingly, however, a mediating effect of psychological ownership was observed between self-brand connection and product attitude. The low self-brand connection group did not increase product attitude through psychological ownership ($\beta = .02$, 95% CI = $-.17$ to $.24$), while the high self-brand connection group increased product attitude via psychological ownership ($\beta = .19$, 95% CI = $.01$ to $.37$) (see Figure 14). Thus, H7a was not supported.

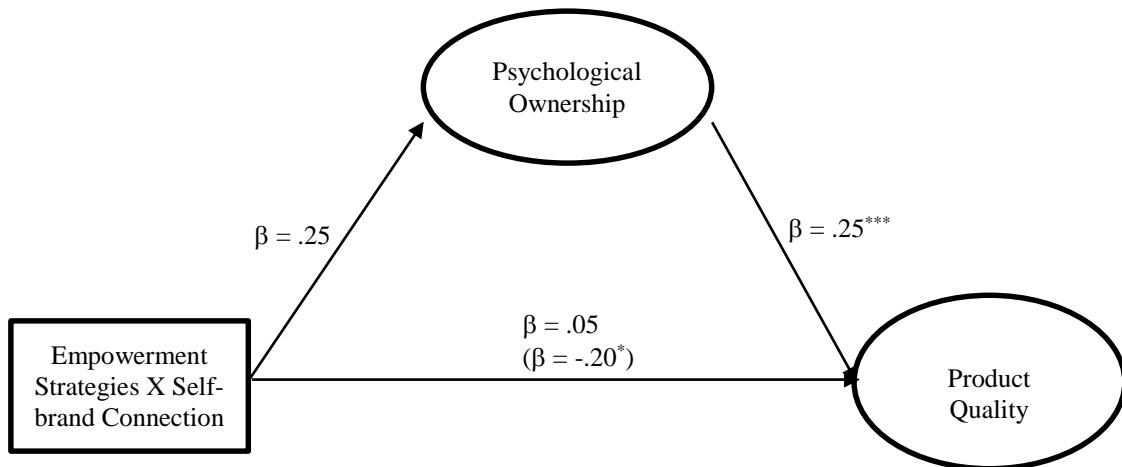
The last PROCESS model was used in order to analyze the mediation of psychological ownership on the interactive effects of empowerment strategies and self-brand connection on product quality. As previously reported, all three variables were dummy coded and entered into analyses.

The result suggested that there were no interaction effects of empowerment strategies and self-brand connection on psychological ownership ($\beta = .25$, $t = 1.15$, $p = .24$). Next, a regression predicting product quality revealed that psychological ownership ($\beta = .25$, $t = 5.92$, $p < .001$) and empowerment strategies ($\beta = -.20$, $t = -2.48$, $p = .013$) had main effects on product quality. Therefore, no moderated mediation had emerged ($\beta = .05$, 95% CI = $-.04$ to $.18$). Interestingly, a mediating effect of psychological ownership was observed between self-brand connection and product quality. The low self-brand connection group did not increase product quality through psychological ownership ($\beta = .01$, 95% CI = $-.07$ to $.09$). However, the high self-brand connection group increased product attitude via psychological ownership ($\beta = .07$, 95% CI = $.01$ to $.15$) (see Figure 15). Thus, H7b was not supported.



Notes: Bootstrapped 95% CI for indirect effect = [-.10 to .44]; the β coefficient for the interaction effects between empowerment strategies and self-brand connection on product attitude after accounting for the mediator is shown in parentheses; * $p < .05$; ** $p < .01$; *** $p < .001$

Figure 14. The Mediation of Psychological Ownership on the Interactive Effects of Empowerment Strategies and Self-brand Connection on Product Attitude



Notes: Bootstrapped 95% CI for indirect effect = [-.04 to .18]; the β coefficient for the interaction effect between empowerment strategies and self-brand connection on product quality after accounting for the mediator is shown in parentheses; * $p < .05$; ** $p < .01$; *** $p < .001$

Figure 15. Mediation of Psychological Ownership on the Interactive Effects of Empowerment Strategies and Self-brand Connection on Product Quality

Table 32. The Summary of Hypotheses Testing

Hypotheses	Result
H1a The empowerment-to-create strategy most effectively increases product attitude, followed by the empowerment-to-select strategy and the non-empowerment strategy, respectively.	Supported
H1b The empowerment-to-create strategy most effectively increases product quality, followed by the empowerment-to-select strategy and the non-empowerment strategy, respectively.	Partially supported
H2a Psychological ownership mediates the effect of empowerment strategies on product attitude.	Supported
H2b Psychological ownership mediates the effect of empowerment strategies on product quality.	Supported
H3a For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater product attitudes than empowerment-to-select strategy.	Not Supported
H3b For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater product attitudes than non-empowerment strategy.	Supported
H3c For a luxury brand (vs. mass-market), empowerment-to-select strategy leads to greater product attitudes than non-empowerment strategy.	Supported
H4a For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater perceived product quality than empowerment-to-select strategy.	Not Supported
H4b For a luxury brand (vs. mass-market), empowerment-to-create strategy leads to greater perceived product quality than non-empowerment strategy.	Not Supported
H4c For a luxury brand (vs. mass-market), empowerment-to-select strategy leads to greater perceived product quality than non-empowerment strategy.	Not supported
H5a For a luxury fashion brand, the positive effect of the empowerment strategy is magnified when consumers have high (vs. low) self-brand connection.	Not supported
H5b For a mass-market fashion brand, the negative effect of the empowerment strategy is attenuated when consumers have high (vs. low) self-brand connection.	Not supported
H6a Psychological ownership mediates the interactive effects of empowerment strategies and brand type on product attitude	Supported
H6b Psychological ownership mediates the interactive effects of empowerment strategies and brand type on product quality.	Supported
H7a Psychological ownership mediates the interactive effects of empowerment strategies and self-brand connection on product attitude.	Not supported
H7b Psychological ownership mediates the interactive effects of empowerment strategies and self-brand connection on product quality.	Not supported

CHAPTER 4

DISCUSSION

This chapter summarizes the empirical findings from Study 1 and Study 2 and discusses the theoretical and managerial implications. Next, the limitations of the present study, accompanied by recommendations for future research, are also highlighted.

Overview

Overall, this dissertation examined the consequences of three levels of brands' empowerment strategies (i.e., empowerment-to-create, empowerment-to-select, and non-empowerment) from the consumers' perspective. Drawing from empowerment theory (Denegri-Knott et al., 2006; Taylor, Hoyes, Lart, & Means, 1992; Zimmerman, 1990), this study proposed that the higher the level of empowerment an empowerment strategy offers to consumers for new product development, the more favorable the responses they exhibit to the product (i.e., product attitude and perceived product quality).

Also, by integrating prior brand literature in consumer marketing, this study proposed that the positive effects of empowerment strategies on empowerment outcomes may vary by a situational factor (brand type: luxury vs. mass-market) and an individual variable (self-brand connection). In particular, it was proposed that brand type would moderate the relationship between empowerment strategies, product attitude, and perceived product quality. Further, self-brand connection would moderate the interactive effects of empowerment strategies and brand type on product attitude and perceived

product quality. Across two studies, psychological ownership was proposed as a critical mediator for the effectiveness of empowerment strategies.

To test the causal relationships, two experimental studies were carried out. Two fashion items were chosen as the focal product. Canvas shoes were used for Study 1, and a canvas bag was used for Study 2. The results of Study 1 demonstrated that the empowerment-to-create strategy (the highest level of empowerment) was most effective in increasing product attitude and perceived product quality. In Study 2, the results showed that the brand type moderated the empowerment strategies for product attitude, but self-brand connection did not. Lastly, psychological ownership was found to be a strong mediator in the effectiveness of empowerment strategies.

Discussion of Results

There were three important findings in Study 1. First, consumers reacted more favorably to the empowerment strategies as the level of empowerment given to them during the new product development increased. That is, among three types of empowerment strategies, consumers participating in the empowerment-to-create condition showed significantly higher and more favorable product attitude compared to those in the empowerment-to-select condition, followed by non-empowerment conditions. Second, and interestingly, although consumers participating in the empowerment-to-create condition perceived the quality of the product to be slightly higher than those participating in the empowerment-to-select condition, followed by the non-empowerment condition, the difference in their quality perception was not

statistically significant between empowerment-to-create and empowerment-to-select strategies. This means that consumers' perception toward the quality of the fashion product was similar across two empowerment strategies. This finding may imply that consumers' perception of product quality is not sensitive to the level of involvement in the product development process so long as brands use empowerment strategies.

Furthermore, psychological ownership was found to explain the psychological process by which a consumer's participation in the new product creation affects his/her responses to the empowerment strategy. The results showed that psychological ownership fully mediated the relationship between empowerment strategies and two outcome variables: product attitude and perceived product quality. This finding suggests that empowerment strategies result in empowerment outcomes because consumers sense an ownership of the fashion product through their involvement in the co-designing process. Importantly, the level of empowerment strategies is related to product attitude and perceived product quality via stronger psychological ownership. Thus, compared to limited (empowerment-to-select) or no empowerment strategies, when consumers were exposed to empowerment-to-create strategy, they were more likely to take ownership of the fashion product during the purchase encounter. Such stronger psychological ownership in turn increased favorable product attitude and product quality perceptions.

Overall, the findings in Study 1 confirmed the positive effects of empowerment strategies in the context of the fashion product development process. In line with empowerment theory (Bachouche & Sabri, 2017; Taylor et al., 1992), when customers are empowered by the feeling that stems from having an ability to control the final

product, they evaluated the products more favorably. These observations are consistent with the prior studies that consumers tend to positively respond to the strategy and product in which deep participation and involvement are required in the task (Franke & Schreier, 2008; Franke, Schreier, & Kaiser, 2010). Furthermore, psychological ownership is found to play a role as a mediator in the empowerment strategy effect. This finding supports the notion of psychological ownership theory and research by Fuchs, Prandelli, and Schreier (2010) that empowerment strategies increase empowerment outcomes by heightening a sense of ownership of the product.

Study 2 was done to extend Study 1 by using actual brand names and two moderators. The results of Study 2 shed light on some important findings related to a boundary condition of empowerment strategies. Notably, the results suggest that the brand type moderated the relationship between empowerment strategies and product attitude. That is, for a luxury brand as opposed to a mass-market brand, the empowerment-to-create strategy was more effective in enhancing product attitude compared to empowerment-to-select and non-empowerment strategies. Similarly, luxury brand consumers, compared to mass-market brand consumers, showed more favorable product attitude toward the empowerment-to-select strategy than they did toward the non-empowerment strategy. However, the brand type did not moderate the relationship between empowerment strategies and perceived product quality. In fact, regardless of the type of empowerment strategy, whether empowerment-to-create, empowerment-to-select, or non-empowerment, there was no difference in luxury fashion brand consumers'

perception toward the product quality. These consumers equally perceived the product quality to be higher for a luxury fashion brand.

One possible explanation for this finding is that luxury brands have reputable brand equity (Kapferer, 2012; Okonkwo, 2009). Consumers are likely to associate luxury brands with high standards and quality materials of hand-crafting that are hard to reproduce by machine, and the crafting knowledge passed down from generation to generation. Thus, it is possible that perceived product quality may only be influenced by the brand name itself, rather than the brand marketing campaigns.

Furthermore, if and how brand type and self-brand connection work together with empowerment strategy were examined. A three-way interaction effect of self-brand connection, empowerment strategies, and brand type on consumers' product attitude and perceived product quality were not supported. Unexpectedly, when consumers have high self-connection to the brand, neither the positive effect of empowerment strategies for a luxury brand was amplified, nor the negative effect of empowerment strategies for a mass-market brand was attenuated. However, the study found the main effect of self-brand connection on both outcome variables: product attitude and perceived product quality. This means that self-brand connection independently affected product attitude and perceived product quality. Thus, if consumers highly associate themselves with the focal brand, regardless of empowerment strategies and brand type, they develop a more favorable attitude and quality perception of the product. In contrast, if consumers do not or hardly associate themselves with the focal brand, they were less likely to show a positive attitude and quality perception of the product. Consequently, self-brand

connection had no influence on the effectiveness of fashion brands' empowerment strategies.

As hypothesized, psychological ownership was a significant mediator in the interaction effects of empowerment strategies and brand type on empowerment outcomes. Specifically, psychological ownership fully mediated the interaction effects of empowerment strategies and brand type on product attitude and perceived product quality. Interestingly, for a luxury fashion brand (vs. a mass-market fashion brand), the empowerment-to-create strategy was more likely to increase product attitude and perceived product quality through stronger psychological ownership than was an empowerment-to-select or non-empowerment strategy. But for a mass-market brand, non-empowerment did not enhance product attitude and perceived product quality via enhanced psychological ownership compared to other empowerment strategies. Nonetheless, the findings regarding the mediating role of psychological ownership suggest that empowerment strategy programs worked for both luxury and mass-market fashion brands in increasing consumers' favorable product attitude and perception of product quality by evoking psychological ownership.

Lastly, the interactive effects of empowerment strategies and self-brand connection on product attitude were not supported. Instead, the brand connection was found to have a direct impact on product attitude and perceived product quality. That is, consumers with high self-brand connection exhibited more favorable product attitude and perceived higher product quality than those of having low self-brand connection, and the reverse is true for those who do not associate themselves with the brand. From this

perspective, attitudinal behavior and judgment depend upon the extent to which consumers associate or disassociate themselves with the focal brand. Thus, the types of empowerment strategies and brand type had no interactive effect on subsequent responses, rather working independently.

Overall, the Study 2 findings well describe the procedure regarding which empowerment strategy is appropriate to use for a luxury brand. In particular, empowerment-to-create strategy was most effective in increasing product attitude for a luxury fashion brand rather than a mass-market fashion brand. This finding is inconsistent with previous research suggesting that mainstream fashion brands may benefit from a user-design label or a consumer-driven design, while such benefits are reduced for luxury fashion brands (Fuchs, Prandelli, Schreier, & Dahl, 2013). However, as this study predicted in relation to the power concept (Kapferer, 2012; Okonkwo, 2009), it may be possible that luxury brand consumers evaluate a brand more favorably when they can exercise their power over the product designs. If the designs are merely created by other consumers (i.e., a user design), they are not actually involved in the product design process (i.e., empowerment-to-create) and cannot exercise their power. Taken together, this dissertation provides an empirical support for the importance of using a higher level of empowerment strategy for luxury fashion brands.

Contributions to the Literature

The theoretical contributions of this study lie in six areas. First, this study provides empirical support for the hypothesis that consumers behave differently based on

the varying degree of empowerment strategies in the product development process. As predicted, the results showed that consumers involved in the highest empowerment tasks showed the strongest product attitude and perceived product quality more favorably compared to limited or zero empowerment tasks. While empowerment marketing strategy is increasingly popular in the industry, there has been little empirical investigation on the topic. As recommended by Sembada (2018) in their future research, this study considered other “levels” of empowerment—the differences in involvement and intensity of consumers’ input that may moderate empowerment effects. Through this evidence, the current research reinforces and extends previous findings that empowerment strategy not only has positive implications for consumer behavior, but that its degree matters.

Second, the current research adds new explanations of the traditional empowerment model by incorporating an unexplored situational factor (brand type) and a personal trait (self-brand connection). The result of this study demonstrated that a brand type moderated the effects of empowerment strategies on product attitude. In other words, the positive empowerment effects were amplified for a luxury fashion brand compared to a mass-market fashion brand. From this viewpoint, this dissertation reveals the complex nature of empowerment strategies. While previous research has so far focused primarily on the moderating role of brand familiarity and self-efficacy (Bachouche & Sabri, 2017; Fuchs & Schreier, 2011), the current research devotes attention to the empowerment literature to incorporate brand type as a new key boundary condition.

Third, the current study sheds light on the specific nature of the mechanism underlying fashion brands' empowerment strategies by including the mediating variable of psychological ownership. The findings show that consumers experience increased psychological ownership after co-designing a new product, which results in greater product attitude and product quality judgment. Although numerous studies have probed positive attitudinal and behavioral outcomes driven by empowerment strategies, scant research has sought to understand its psychological consequences. Accordingly, this study makes an important contribution to the empowerment literature by demonstrating a holistic view of how empowerment strategies cultivate favorable empowerment outcomes (empowerment strategies → psychological ownership → empowerment outcomes).

In line with the previous discussion, this research discloses the dynamic nature of the consumer decision-making process by investigating the mediating role of psychological ownership under different brand types. As expected, this dissertation suggests that for luxury fashion brands, an empowerment-to-create strategy strengthens greater psychological ownership of the product that leads to better product attitude and quality judgment formation. This finding enriches empowerment literature by showing that psychological ownership is a critical psychological process which mediates the relationship between empowerment strategy and a situational factor of a brand type on product attitude and perceived product quality.

Another noteworthy contribution to the empowerment literature is that this study identifies additional outcome variables that empowerment strategies possibly evoke. Specifically, this research finds support for the proposition that empowerment strategies

are significantly related to product attitude as well as perceived product quality—an important outcome variable that has not been previously examined. Thus, this result enables researchers to predict product quality judgment as a measure of the empowerment strategy effects.

Finally, this study contributes to the empowerment literature by expanding its application to a new context: fashion product consumption. Previous studies examining empowerment marketing have mainly focused on T-shirts, thus limiting understanding of the empowerment effects on other fashion items. To the best of our knowledge, this is the first study that examined the empowerment strategy effects on unexplored fashion items: canvas shoes and a canvas bag. Consequently, this study adds to the existing literature by discovering that empowerment strategy is a critical indicator in the formation of attitudinal and quality judgment in the fashion/apparel context.

Implications for Practitioners

All products have a limited life cycle; therefore, developing new products is essential for brands to sustain themselves in the competitive marketplace. Thirty thousand new consumer products are introduced annually; however, 95% of them fail (Kocina, 2017). Commonly, it is known that a new product fails because brands cannot accurately identify the needs of customers and solutions to fulfill their needs/wants. Besides, insufficient or uncoordinated marketing programs fail to convince consumers of why they need those products (Hoyer, Chandy, Dorotic, Krafft, & Singh, 2010). Therefore, in launching a marketable product, it is of utmost importance for brands to develop a new

product that adds value for consumers in combination with a successful marketing strategy that addresses consumer needs. Across two studies, this study highlights the importance of addressing consumer needs for engagement—eagerness to involve them in a firm decision-making process accompanied by an effective marketing strategy.

Based on the findings, this study offers several promising solutions for retail fashion brands in terms of how consumer needs can be translated to marketing programs. First, the findings provide practical implications for marketers and online retailers seeking to increase revenue by increasing their marketing/promotional efforts. This study found that consumers prefer the higher level of empowerment strategy. Consumers are enthusiastic about buying products when they are actually involved in the co-creating experience. Based on the results of this study, online apparel retailers should prioritize their marketing efforts in increasing consumer contribution and involvement in the product design process. For instance, fashion brand retailers should invite consumers to actively submit their design ideas, select various elements of a new product offering, or vote on the final products among consumer-created designs through a brand's website or community page.

Second, the findings regarding the boundary condition variable (i.e., brand type) can help luxury brand managers predict which type of empowerment strategy is appropriate in bringing more favorable consumer outcomes. This study found that the empowerment-to-create strategy was most appropriate in enhancing positive product attitude for luxury fashion brands, more so than others. This indicates that if luxury

fashion brands are interested in finding strategies to increase positive attitude toward the product in the online environment, they should initiate empowerment strategies.

Third, the current study suggests that luxury brands should design their marketing strategy in alignment with their marketing objectives. This dissertation demonstrated that luxury brand consumers did not perceive the product quality to be different due to the level of empowerment strategy. As a matter of fact, luxury brand consumers even perceived higher product quality when a non-empowerment strategy was implemented. Therefore, luxury brands should be aware that they should not initiate empowerment strategies if their goal is to improve product quality perception.

Furthermore, the findings of the current study, that psychological ownership drives attitude toward the product and perceived product quality, suggest that retail brands' marketers should design marketing programs that can boost consumers' feelings that "the product is mine." Because empowerment strategies are related to psychological ownership in the purchase encounter, marketers could either temporarily use empowerment strategies or position brands in employing consumer involvement in the product design process. Such a marketing program that activates a sense of "mine" among consumers can directly improve brand performance.

Lastly, the current study demonstrates that self-brand connection itself directly increases positive product attitude and perceived product quality. The findings show that consumers highly associating themselves with the brands exhibited positive attitude toward the product and better evaluate the product quality, and their responses were unaffected by marketing programs. Segmenting according to this target consumer group

might increase revenue and profitability without spending a great deal of revenue on advertising and marketing.

Limitations and Directions for Future Research

Several limitations and promising areas for further research warrant discussion in this context. First, this study is limited to one type of empowerment strategy, namely, co-designing. In reality, many other types of empowerment strategies exist in the marketplace. For example, Tiu Wright, Newman, and Dennis (2006) assert that consumers feel empowered when they are able to enjoy the consumption process, and that elements of pleasant atmospheric environments, such as music, aroma, and video screens, can influence consumer empowerment. Thus, focusing on a single empowerment strategy may limit the generality of the results, and other empowerment strategies may yield different results. For this reason, it is recommended that future research using other empowerment strategies should verify this research model.

Second, the current study only explored one individual variable (i.e., self-brand connection). To better understand the complexity of an empowerment strategy, the comprehension of empowerment practices for other consumer characteristics would be an interesting line of research. Research has shown that empowerment strategy significantly influences perceived power, which then leads to empowerment outcomes. For example, Semba (2018) showed that perceived power in the context of co-designing enhances word-of-mouth behavioral intention and product valuation. Thus, an investigation into

how an empowerment strategy is affected by the individual desire for power could be an interesting topic in the context of co-designing.

Third, this experiment was framed around two fashion product categories. However, the product category chosen in this research does not represent the whole spectrum of consumer goods. In particular, industries that offer a higher level of consumer involvement in the product development process are especially interested in allowing co-creating experiences with their customers. Companies have begun to complement internal design teams with their user communities. Examples include IKEA's collaboration with startup entrepreneurs and universities, and Local Motors, an Arizona car company that created the first vehicles to be designed through crowdsourcing. It might be worthwhile to explore the effects of empowerment on more products, such as furniture, automobiles, cameras, or sports equipment. Moreover, further research should extend this phenomenon in diverse service contexts, such as the hotel, restaurant, and airline industries, to increase external validity.

Another limitation of this study is the exclusive use of the participant pool of MTurk for the U.S. sample. Although homogenous groups are deemed appropriate if the goal of research is theoretical explanation (Sternthal, Tybout, & Calder, 1994), and the sample used in this study was thus appropriate for this context, the disparity between the population and the sampling frame needs to be considered when generalizing the results to specific segments of the U.S. population. Therefore, future research should explore whether the results obtained can be generalizable to other U.S. demographics. In addition, this study is limited to one type of generation group: millennials. Because millennials are

highly inclined to participate in co-creating marketing, other cohorts might not be so easily attracted to empowerment strategies. Therefore, it is suggested that future research replicate the current study by including additional generational cohorts.

Fourth, the current study is limited to the product-related outcome variables (i.e., the measurement of product attitude and perceived product quality). It would be worthwhile to explore whether an empowerment strategy also affects other marketing variables that are not tied to the underlying products. Prior research on consumer empowerment (Cova & Pace, 2006) suggests that the feeling of empowerment in the brand community can have a positive effect on consumer brand loyalty. This indicates that empowerment effects may influence the customer–brand relationship. As a start in that direction, future research could consider whether empowerment also increases consumers’ future brand loyalty intentions.

Fifth, this study investigated empowerment activities in a positive light by focusing on a consumption context where empowerment programs were successful. It is noteworthy to point out that empirical studies on how empowerment strategy influences consumers in the service failure context are scarce. Future research needs to add to the empowerment marketing strategy by investigating and discovering how an empowerment strategy may be an effective strategy in the service failure context to compensate and restore customer–brand relationships.

The final limitation of this study has to do with brand selection. Since this dissertation included only one brand from luxury fashion (i.e., Chanel) and one mass-market brand (i.e., Polo), it is possible that results might vary if the research investigated different

brands. Therefore, future research should test this model using other luxury fashion brands and mass-market fashion brands to see if the moderating role of brand type is consistent.

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APPENDICES

APPENDIX A
Stimuli and Questionnaire for Main Study 1

Instruction

Please imagine that you are shopping at a fashion brand's online shopping site. While you are browsing the site, please read carefully the descriptions provided on the site.

Please allow yourself to browse at least 5 mins on the site. Once you are finished browsing, please come back to this Qualtrics' site and answer the questions.

Please copy the website link below and paste it into the new browser to visit the online shopping store of a fashion brand, SC. allure.

(Empowerment: Empowerment-to-create condition)
Website: <http://songyiheo.wixsite.com/scallure>



SC.allure Design Culture

SC.allure's design culture is a community created to inspire and empower customers like you to embrace your creativity through art and design, by drawing attention to the innovative designs. SC.allure believes everyone can be empowered to express themselves creatively and could be given the tools to do so.

2018 SC.ALLURE SUMMER-INSPIRED

DESIGN COMPETITION

We are pleased to host a design competition. We invite our customers to create designs of canvas shoes around a specific theme. The winning design, the one with the most votes, will be printed and sold exclusively at the SC.allure shopping site. The winning artist will receive a Grand Prize Winner, a \$100 cash prize!



The above image is a sample of consumer's summer-inspired design featured on our canvas shoes



SC.allure Design Competition

How it works



STEP1

SUMMER is the theme for the current design competition – beach, sunshine, cocktails, picnic, tropical fruits... you name it! With this theme, we invite our customers to submit designs.

STEP2

Create your own summer-inspired artwork using any tools. You can hand draw on a piece of paper or use digital tools, such as illustrator and photoshop.



STEP3

Once your design is completed, take a picture of your design or create an electronic document.

Please submit your file or picture to the Qualtrics survey site.

Your design featured on our canvas bag



STEP4

Once your design has been submitted, SC.allure consumers will review and vote for the design. Please keep in mind that "the design from the consumers' perspectives" will be marked for 2018 summer.

(Empowerment: Empowerment-to-select condition)
Website: <http://songyiheo.wixsite.com/website-6>



SC.allure Design Culture

SC.allure's design culture is a community created to inspire and empower customers like you to embrace your creativity through art and design, by drawing attention to the innovative designs. SC.allure believes everyone can be empowered to express themselves creatively and could be given the tools to do so.

2018 SC.ALLURE SUMMER-INSPIRED

DESIGN COMPETITION

Please pick your favorite summer-inspired design and submit your answer with a number, ranging from 1, 2, 3, 4, and 5. The winner's design will be sold exclusively at the SC.allure shopping site. If you voted for the winner, then you will get a chance to win a \$50 cash prize!



SC.allure Design Culture

How it works



STEP1

SUMMER is the theme for the current design competition – beach, sunshine, cocktails, picnic, tropical fruits... you name it! With this theme, we invite our customers to submit designs. A panel of judges evaluates each submission based on marketability and selects top five designs, which are displayed below.

STEP2

Now, it's your job to review these designs and pick your favorite to choose the finalist.

Please submit your vote to the [Qualtrics survey site](#).



STEP3

Based on customers' votes, we select one finalist. Please keep in mind that "the design from consumers' perspectives" will be marked for 2018 summer.


(Empowerment: Non-empowerment condition)
Website: <http://songyiheo.wixsite.com/website-1>

Home Shop f t in

S.C. allure Log In

2018 Summer items

Now available



SHOP NOW

(Manipulation check for perceived autonomy)

Question 1: Please select the response that best describes your experience with SC.allure.

	Strongly Disagree (1)	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree (7)
SC.allure makes me feel controlled and pressured to be certain ways	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
SC.allure makes me feel free to be who I am	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that my choices are based on my true interests and values	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel free to do things my own way	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that my choices express my "true" self	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(Dependent Variable)

Question 2: Although I do not legally own these shoes yet,

	Strongly Disagree (1)	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree (7)
I have the feeling that they are 'my' canvas shoes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The selected/created canvas shoes incorporate a part of myself	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel that these canvas shoes belong to me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I feel connected to these canvas shoes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

It is difficult for me to think of these canvas shoes as mine	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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Question 3: My attitude toward the above product is...

	(1)							(7)	
Unfavorable	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Favorable
Bad	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Good
Negative	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Positive
Dislike	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Like

Question 4: Please evaluate the quality of shoes you just saw.

	(1)							(7)	
Extremely low quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Extremely high quality
Very little durability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very high durability
Very unrealistic	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very realistic

(Demographics)

What is your gender?

- Male
- Female
- Other _____

What is the highest degree of level of school you have completed? If currently enrolled, mark the previous grade or highest degree received.

- Some high school degree or less
- High school graduate
- Some college, no degree
- Associate degree
- Bachelor's degree
- Graduate or professional degree
- Other _____

How would you classify yourself in terms of an ethnic group?

- African American
- Caucasian American
- Hispanic/Hispanic American
- Native American
- Asian/Asian American
- Multicultural
- Other _____

What is your annual household income (before tax)?

- Less than \$25,000
- \$25,000 to \$34,999
- \$35,000 to \$49,999
- \$50,000 to \$74,999
- \$75,000 to \$99,999
- \$100,000 to \$149,999
- \$150,000 or more _____

APPENDIX B
Stimuli and Questionnaire for Main Study 2

(Empowerment: Empowerment-to-create condition; Brand: Luxury)
Website: <http://songyiheo.wixsite.com/website-94>

CHANEL

CHANEL DESIGN CULTURE

CHANEL'S DESIGN CULTURE IS A COMMUNITY CREATED TO INSPIRE AND EMPOWER CUSTOMERS LIKE YOU TO EMBRACE YOUR CREATIVITY THROUGH ART AND DESIGN, BY DRAWING ATTENTION TO THE INNOVATIVE DESIGNS. CHANEL BELIEVES EVERYONE CAN BE EMPOWERED TO EXPRESS THEMSELVES CREATIVELY AND COULD BE GIVEN THE TOOLS TO DO SO.



2018 CHANEL DESIGN COMPETITION

WE ARE PLEASED TO HOST A DESIGN COMPETITION. WE INVITE OUR CUSTOMERS TO CREATE DESIGNS OF A CANVAS BAG. THE WINNING DESIGN, THE ONE WITH THE MOST VOTES, WILL BE PRINTED AND SOLD EXCLUSIVELY AT THE CHANEL SHOPPING SITE. THE WINNING ARTIST WILL RECEIVE A GRAND PRIZE WINNER, A \$500 CASH PRIZE!



The above image is a winner of last season's consumer inspired design featured on our CHANEL canvas bag

CHANEL

CHANEL DESIGN CULTURE

HOW IT WORKS



STEP 1

WE ARE CALLING ON ALL CREATIVE MINDS TO SUBMIT THEIR ARTWORK THAT WILL BE DISPLAYED ON OUR CANVAS BAG. ALL SORTS OF DESIGNS ARE ACCEPTABLE - GRAFFITI, WATERCOLOR, ILLUSTRATION, TEXT DESIGN WITH YOUR FAVORITE WORDS OR QUOTES, CHARACTERS... YOU NAME IT!

STEP 2

CREATE YOUR OWN ARTWORK USING ANY TOOLS. YOU CAN HAND DRAW ON A PIECE OF PAPER OR USE DIGITALS TOOLS, SUCH AS ILLUSTRATOR AND PHOTOSHOP.



CHANEL

STEP 3

ONCE YOUR DESIGN IS COMPLETED, TAKE A PICTURE OF YOUR DESIGN OR CREATE AN ELECTRONIC DOCUMENT.

PLEASE SUBMIT YOUR FILE OR PICTURE TO THE QUALTRICS SURVEY SITE.



Your design featured on our canvas bag



STEP 4

ONCE YOUR DESIGN HAS BEEN SUBMITTED, CHANEL CONSUMERS WILL REVIEW AND VOTE FOR THE DESIGN. PLEASE KEEP IN MIND THAT "THE DESIGN FROM THE CONSUMERS' PERSPECTIVES" WILL BE MARKED FOR 2018 SUMMER.

(Empowerment: Empowerment-to-selection condition; Brand: Luxury)
Website: <http://songyiheo.wixsite.com/website-3>

CHANEL

CHANEL DESIGN CULTURE

CHANEL'S DESIGN CULTURE IS A COMMUNITY CREATED TO INSPIRE AND EMPOWER CUSTOMERS LIKE YOU TO EMBRACE YOUR CREATIVITY THROUGH ART AND DESIGN, BY DRAWING ATTENTION TO THE INNOVATIVE DESIGNS. CHANEL BELIEVES EVERYONE CAN BE EMPOWERED TO EXPRESS THEMSELVES CREATIVELY AND COULD BE GIVEN THE TOOLS TO DO SO.



2018 CHANEL DESIGN COMPETITION

PLEASE PICK YOUR FAVORITE DESIGN AND SUBMIT YOUR ANSWER WITH A NUMBER, RANGING FROM 1, 2, 3, 4, AND 5. THE WINNER'S DESIGN WILL BE SOLD EXCLUSIVELY AT THE CHANEL SHOPPING SITE. IF YOU VOTED FOR THE WINNER, THEN YOU WILL GET A CHANCE TO WIN



SELECT YOUR FAVORIATE DESIGN



CHANEL DESIGN CULTURE

HOW IT WORKS



The above image is a winner of last season's consumer inspired design featured on our CHANEL canvas bag

CHANEL

STEP 1

WE INVITE OUR CUSTOMERS TO SUBMIT ANY CREATIVE DESIGNS. A PANEL OF JUDGES EVALUATES EACH SUBMISSION BASED ON MARKETABILITY AND SELECTS TOP FIVE DESIGNS, WHICH ARE DISPLAYED BELOW.

STEP 2

NOW, IT'S YOUR JOB TO REVIEW THESE DESIGNS AND PICK YOUR FAVORITE TO CHOOSE THE FINALIST. PLEASE SUBMIT YOUR VOTE TO THE QUALTRICS SURVEY SITE.



SELECT YOUR FAVORITE DESIGN

CHANEL



STEP 3

BASED ON CUSTOMERS' VOTES, WE SELECT ONE FINALIST. PLEASE KEEP IN MIND THAT "THE DESIGN FROM CONSUMERS' PERSPECTIVES" WILL BE MARKED FOR 2018 SUMMER.

(Empowerment: Non-empowerment; Brand: Luxury)
Website: <http://songyiheo.wixsite.com/website-26>



SHOP NOW

(Empowerment: Empowerment-to-create condition; Brand: POLO)
Website: <http://songyiheo.wixsite.com/website-79>

POLO SPORT

POLO SPORT DESIGN CULTURE

POLO SPORT's design culture is a community created to inspire and empower customers like you to embrace your creativity through art and design, by drawing attention to the innovative designs. Chanel believes everyone can be empowered to express themselves creatively and could be given the tools to do so.



2018 POLO SPORT DESIGN COMPETITION

We are pleased to host a design competition.

We invite our customers to create designs of a canvas bag. The winning design, the one with the most votes, will be printed and sold exclusively at the CHANEL shopping site.

The winning artist will receive a Grand Prize Winner, a \$500 cash prize!



POLO SPORT DESIGN CULTURE HOW IT WORKS



STEP1

We are calling on all creative minds to submit their artwork that will be displayed on our canvas bag. All sorts of designs are acceptable – graffiti, watercolor, illustration, text design with your favorite words or quotes, characters... You name it!

STEP2

Create your own artwork using any tools. You can hand draw on a piece of paper or use digital tools, such as illustrator and photoshop.



STEP3

Once your design is completed, take a picture of your design or create an electronic document.

Please submit your file or picture to the [Qualtrics survey site](#).



Your design featured on our canvas bag



STEP4

Once your design has been submitted, CHANEL consumers will review and vote for the design. Please keep in mind that "the design from the consumers' perspectives" will be

(Empowerment: Empowerment-to-select condition; Brand: POLO)

POLO SPORT

POLO SPORT DESIGN CULTURE

POLO SPORT's design culture is a community created to inspire and empower customers like you to embrace your creativity through art and design, by drawing attention to the innovative designs. Chanel believes everyone can be empowered to express themselves creatively and could be given the tools to do so.



2018 POLO SPORT DESIGN COMPETITION

Please pick your favorite design and submit your answer with a number, ranging from 1, 2, 3, 4, and 5. The winner's design will be sold exclusively at the RALPH LAUREN shopping site. If you voted for the winner, then you will get a chance to win a \$500 cash prize!



SELECT YOUR FAVORIATE DESIGN



POLO SPORT DESIGN CULTURE HOW IT WORKS



The above image is a winner of last season's consumer inspired design featured on our canvas bag

POLO SPORT

STEP1

We invite our customers to submit any creative designs. A panel of judges evaluates each submission based on marketability and selects top five designs, which are displayed below.

STEP2

Now, it's your job to review these designs and pick your favorite to choose the finalist.

Please submit your vote to the [Qualtrics survey site](#).



SELECT YOUR FAVORITE DESIGN

POLO SPORT



STEP3

Based on customers' votes, we select one finalist. Please keep in mind that "the design from consumers' perspectives" will be marked for 2018 summer.

(Empowerment: Non-empowerment; Brand: POLO)
Website: <http://songyiheo.wixsite.com/website-47>

POLO SPORT



2018 Summer Collections

SHOW NOW

(Manipulation check for perceived autonomy)

Question 1: Please select the response that best describes your experience with CHANEL(POLO).

	Strongly Disagree (1)	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree (7)
CHANEL/POLO makes me feel controlled and pressured to be certain ways	0	0	0	0	0	0	0
CHANEL/POLO makes me feel free to be who I am	0	0	0	0	0	0	0
I feel that my choices are based on my true interests and values	0	0	0	0	0	0	0
I feel free to do things my own way	0	0	0	0	0	0	0
I feel that my choices express my "true" self	0	0	0	0	0	0	0

(Individual variable: Self-brand Connection)

Question 2: The next question asks you how you see yourself. Please answer the following questions.

	Strongly Disagree (1)	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree (7)
I feel as though I can relate to this brand	0	0	0	0	0	0	0
I feel affection to this brand	0	0	0	0	0	0	0
I would wear this brand to	0	0	0	0	0	0	0

communicate who I am to other people								
I think this brand helps me become the type of person I want to be	0	0	0	0	0	0	0	0
I have strong positive feelings about this brand	0	0	0	0	0	0	0	0
I have an interest in developing a relationship with this brand	0	0	0	0	0	0	0	0

(Dependent variable)

Question 3: Although I do not legally own this canvas bag yet,

	Strongly Disagree (1)	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree (7)
I have the feeling that they are 'my' canvas bag	0	0	0	0	0	0	0
The selected/created canvas bag incorporates a part of myself	0	0	0	0	0	0	0
I feel that this canvas bag belongs to me	0	0	0	0	0	0	0
I feel connected to this canvas bag	0	0	0	0	0	0	0
It is difficult for me to think of this canvas bag as mine	0	0	0	0	0	0	0

Question 4: My attitude toward the above product is...

	(1)				(7)			
Unfavorable	0	0	0	0	0	0	0	Favorable
Bad	0	0	0	0	0	0	0	Good
Negative	0	0	0	0	0	0	0	Positive
Dislike	0	0	0	0	0	0	0	Like

Question 5: Please evaluate the quality of bag you just saw.

	(1)							(7)	
Extremely low quality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Extremely high quality
Very little durability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very high durability
Very unrealistic	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very realistic

(Demographics)

What is your gender?

- Male
- Female
- Other _____

What is the highest degree or level of school you have completed? If currently enrolled, mark the previous grade or highest degree received.

- Some high school degree or less
- High school graduate
- Some college, no degree
- Associate degree
- Bachelor's degree
- Graduate or professional degree
- Other _____

How would you classify yourself in terms of an ethnic group?

- African American
- Caucasian American
- Hispanic/Hispanic American
- Native American
- Asian/Asian American
- Multicultural
- Other _____

What is your annual household income (before tax)?

- Less than \$25,000
- \$25,000 to \$34,999
- \$35,000 to \$49,999

- o \$50,000 to \$74,999
- o \$75,000 to \$99,999
- o \$100,000 to \$149,999
- o \$150,000 or more _____

APPENDIX C
Consent Form

Dear Participant,

Thank you for participating in this important survey. The purpose of this research is to investigate the impact of fair trade advertising to consumer responses to gain a better understanding of fair trade shopping behavior. You must be between the ages of 18 and 50 to participate in this survey.

Please read the information below. Then, if you agree to participate, please scroll down and click on the next (>>) button below. You can expect to take about **10-15 minutes** to participate and respond to the questionnaire. If you do not wish to participate, please close this browser window.

Risk/Discomforts: There are no foreseeable risks for participating in this study. However, although every effort to protect confidentiality will be made, no grantee of Internet survey security can be given as, although unlikely, transmissions can be intercepted and IP addresses can be identified. However, our survey host (QUALTRICS) uses strong encryption and other data security methods to protect your information. All data will be held and protected by Qualtrics (a survey research company) using their online security features. Only the researchers will have access to your information on the Qualtrics server. Your identity will be unknown to the researchers. Your data will not be associated with your name or with any other identifiable information. It will not be linked with your survey responses, so they will be anonymous, and it will be removed from the data set once compensation has been made. Your MTurk Worker ID will only be connected to your payment, not to any of your responses and will not be share with anyone outside the research team.

Benefits: The benefits of this research will be the advancement of research in the field of consumer behavior. Also, the results of this study will help fair trade marketers develop effective marketing communication strategies.

Rights: You have the right to refuse to participate in or to withdraw at any time, without penalty. If you do withdraw, it will not affect you in any way. There is no right or wrong answer, and you can stop at any time.

Compensation: If you complete the survey, you will receive a compensation of \$0.5 via Amazon MTurk. In other words, if you click a “complete” button on the last webpage of survey questionnaire, we will consider that you complete the survey. However, if you discontinue the survey or refuse to participate in survey or do not click the “complete” button, your survey will be considered as not complete. In this case, the compensation of \$0.5 will not be given to you.

Confidentiality: The information you provide will be confidential. You will not be identified individually at any stage of the study. The data obtained by survey will be analyzed to address the research questions.

Questions about the research: If you have any questions about this study, please contact Songyee Hur at shur1@vols.utk.edu. Participation in this online questionnaire indicates that you agree to the above conditions. If you have any questions about your rights as a research participant, you may contact The Institutional Review Board at the University of Tennessee at 865-974-7697 or utkirb@utk.edu

By starting this survey, you are indicating that you are at least 18 years old, have read and understood this consent form, and agree to participate in this study. Thank you in advance for your contribution to this study.

Sincerely,

Songyee Hur
Department of Retail, Hospitality and Tourism Management
1215 W. Cumberland Ave.
233C Jessie Harris Building
Knoxville, TN 37996
Email: shur1@vols.utk.edu

APPENDIX D
Human Subject Exemption Approval Form



March 26, 2018

Songyee Hur,
UTK - Coll of Education, Hlth, & Human - Retail, Hospitality, and Tourism Mgmt

Re: UTK IRB-18-04374-XP
Study Title: How Brand Empowerment Strategies affect Consumer Behavior: From a Psychological Ownership Perspective

Dear Songyee Hur:

The UTK Institutional Review Board (IRB) reviewed your application for the above referenced project. It determined that your application is eligible for expedited review under 45 CFR 46.110(b)(1), Category 7. The IRB has reviewed these materials and determined that they do comply with proper consideration for the rights and welfare of human subjects and the regulatory requirements for the protection of human subjects.

Therefore, this letter constitutes full approval by the IRB of your application (version 1.1) as submitted, including Consent Form R1 - Version 1.0
Appendix R1 - Version 1.0

The above listed documents have been dated and stamped IRB approved. Approval of this study will be valid from March 26, 2018 to March 25, 2019.

In accord with 45 CFR 46.116(d), informed consent is waived with the cover statement used in lieu of an informed consent interview. The requirement to secure a signed consent form is waived under 45 CFR 46.117(c)(2). Willingness of the subject to participate will constitute adequate documentation of consent.

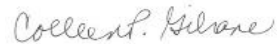
Institutional Review Board | Office of Research & Engagement
1534 White Avenue Knoxville, TN 37996-1529
865-974-7697 865-974-7400 fax irb.utk.edu

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Flagship Campus of the University of Tennessee System

In the event that subjects are to be recruited using solicitation materials, such as brochures, posters, web-based advertisements, etc., these materials must receive prior approval of the IRB. Any revisions in the approved application must also be submitted to and approved by the IRB prior to implementation. In addition, you are responsible for reporting any unanticipated serious adverse events or other problems involving risks to subjects or others in the manner required by the local IRB policy.

Finally, re-approval of your project is required by the IRB in accord with the conditions specified above. You may not continue the research study beyond the time or other limits specified unless you obtain prior written approval of the IRB.

Sincerely,



Colleen P. Gilrane, Ph.D.
Chair

Institutional Review Board | Office of Research & Engagement
1534 White Avenue Knoxville, TN 37996-1529
865-974-7697 865-974-7400 fax irb.utk.edu

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VITA

Songyee Hur was born in Daegu, Korea. She holds a B.A. in French Language Literature and Minor in Business Administration from Kyungpook National University, Korea and a M.S. in Fashion Retail and Studies from the Ohio State University, Columbus. She is currently working toward her Ph.D. in the Department of Retail, Hospitality, and Tourism Management at the University of Tennessee, Knoxville. Her research focuses on understanding the effects of marketing communications on the consumer decision-making process and consumer behavior with a specific focus on brand advertising campaigns and the social media environment. Her research focus is mainly on understanding consumer behavior in response to marketing communications in various retail contexts with particular interests in empowerment marketing, fair trade, and customer brand experience. In line with her research work, Songyee has two published research journal articles (*Journal of Brand Management*, *Journal of Marketing Communication*), two manuscripts under review, and 16 presentations at national and international conferences in the retail and consumer science fields. During her Ph.D. program, she received several research awards including the Best Paper Award in the 2015 Graduate Student Research Colloquium and 2019 Excellence in Graduate Research at the University of Tennessee at Knoxville.