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## The Value Compass

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# *The Value Compass*

*A Study of Consumer Values and Brand Values*





university of  
 groningen

# **The Value Compass**

A study of consumer values and brand values

## **PhD thesis**

to obtain the degree of PhD at the  
 University of Groningen  
 on the authority of the  
 Rector Magnificus Prof. E. Sterken  
 and in accordance with  
 the decision by the College of Deans.

This thesis will be defended in public on

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## **Abstract**

In the psychological field, a lot of progress has been made in values theory. In marketing theory, however, the use of values has been undervalued. Despite the widespread managerial use of brand values, attention has remained focused on the brand personality concept. This book intends to provide a new perspective to marketing science, by proposing a system of brand values that takes into account the developments in values theory. Values were tested in a number of rounds among a total of more than 3,000 respondents in the Netherlands and several other countries including Germany, Italy, and China.

In this study, values that motivate consumer behavior were demonstrated to relate to each other as a consistent value system, labelled here as the Value Compass. We showed that the values with which brands profile themselves can be organized according to a similar structure as the human value system, which opens additional insights into the use of values to position brands, or to predict brand choice. The cross-cultural validation included in this book showed a high degree of equivalence of the Value Compass. This validation provided insight in the cross-cultural similarities in the structure of the value system, but it also emphasized the cross-cultural differences in priorities that individuals attach to certain values.

*In de psychologie is veel vooruitgang geboekt op het gebied van de waardentheorie. In de marketing wordt het gebruik van waarden echter ondergewaardeerd. Ondanks het wijdverbreide gebruik van merkwaarden in marketingmanagement en branding is de aandacht in de marketingtheorie vooral gericht gebleven op het concept merkpersoonlijkheid. Dit boek probeert een nieuw perspectief te bieden aan de marketing, door de ontwikkeling van een systeem van merkwaarden dat rekening houdt met de vooruitgang in de waardentheorie. Waarden werden in een aantal rondes getest bij in totaal meer dan 3.000 respondenten in Nederland en een aantal andere landen, waaronder Duitsland, Italië en China.*

*In het onderzoek werd aangetoond dat waarden invloed hebben op consumentengedrag, en dat deze waarden met elkaar samenhangen in de vorm van een waardensysteem. Dit waardensysteem wordt in het proefschrift aangeduid als het Value Compass. We toonden aan dat merkwaarden aan elkaar gerelateerd zijn volgens eenzelfde structuur als het menselijke waardensysteem. Door deze conclusie ontstaat aanvullend inzicht in de mogelijkheden van het gebruik van waarden voor de merkpositionering, of voor het voorspellen van consumentengedrag. De cross-culturele studie die in dit boek is opgenomen laat een hoge mate van universaliteit zien voor het Value Compass. De cross-culturele validering illustreert de cross-culturele overeenkomsten in de structuur van het waardensysteem, maar het benadrukt ook de cross-culturele verschillen in de prioriteiten die individuen hechten aan bepaalde waarden.*



# *Dedication*

*I dedicate this dissertation to my parents, Lourens Jan Kostelyk and Everdina Johanna Kostelyk-Kruis. Without their love and support, I would not have been the person who I am today.*





# *Acknowledgements*



A dissertation, what the eye sees, is a collection of words. A collection of words, that mark a scientific exploration. But it is not just that. It is a personal challenge. A challenge, in which I managed to learn. A lot. A challenge, in which I managed to push my personal limitations. I pushed limitations of which I wasn't even aware that I had them. When I started working, I didn't know when or where it would end. But I knew one thing: the start is the point of no return. It defines the moment that creates a choice between a future victory or a future defeat. By writing these words, the journey has come to an end. And the feeling of victory is there.

It is the challenge to continuously make a project, any project, a personal challenge, and never turn it into a personal struggle. Inspiration, creativity, and pushing personal limitations, they go hand in hand with tedious repetitions, disappointments, and anxious moments when results don't seem to match expectations. Those were the moments that I did not stand alone. I am grateful for all the support I received. I was challenged in the past years, but, thanks to your support, I never struggled.

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Research involves data collection. And data collection implies work. A lot of work. I would like to thank the guys at HanzeConnect who supported me with all the data analysis and data collection: Mark, Andris, Yory, Goran, Harm, Frank, Wessel. For all those times when you had to handle complex LISREL files or surveys written in Bulgarian. My spontaneous style of asking the near impossible must have driven you crazy from time to time, but I truly value that I have been able to rely on you.

Creating a dissertation involves a back office, too. Invisible to most, but very visible to some. I would like to express my gratitude to Iekje Smit and Edwin van der Woude for giving me the space to accomplish my work, and I highly appreciate your efforts to deal with the administrative issues that sometimes surrounded it.

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Then, I devote my final lines to thank you, Faustine, for all your support and encouragement. Positive attitude and persistent optimism created the push to bring me so far. Loving support is invisible to the eye, but it is the one thing that is felt the deepest.

The journey has reached its end. And now, I invite you to relive part of my journey, by turning this page, and by reading some of the pages that follow.



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# *Introduction*



## 1. Introduction

This reflection on values starts in the 6<sup>th</sup> Century BC, with Aesop. Aesop was a story teller credited with a number of fables now collectively known as Aesop's Fables. One of these is "The Cock and the Jewel" (original 6<sup>th</sup> Century BC, translation provided by Townsend, 1867):

*A cock, scratching for food for himself and his hens,  
found a precious stone and exclaimed:  
"If your owner had found thee, and not I,  
he would have taken thee up, and have set thee in thy first estate  
but I have found thee for no purpose.  
I would rather have one barleycorn than all the jewels in the world."*

The cock in this fable is motivated by the practical concern of a full stomach. This concern made him look for food, not for jewels. Values such as prestige or wealth did not seem important to this cock.

Values have been referred to as "a conception [...] of the desirable" (Kluckhohn, 1951, p. 395), "an enduring belief that a certain mode of conduct or end-state of existence is personally or socially preferable" (Rokeach, 1973, p. 5), or "desirable [...] goals, varying in importance, that serve as guiding principles in the life of a person or other social entity" (Schwartz, 1994, p. 21). In the Oxford Dictionary of English (2005), values are defined as "principles or standards of behavior". Despite differences in emphasis, these definitions share a common principle: values define what is important to the individual, and guide him or her to make choices. The cock values a full stomach, and behaves accordingly. A young family visits IKEA if they believe IKEA offers the modern yet cozy family life that they desire. A just-married couple might cherish values such as intimacy and romance, values that lead them to look for a candlelit Italian restaurant to enjoy their Saturday evening together.











In his definition, Rokeach pointed out an important distinction: "... personally or socially ...". Within the context of a society or a (sub)culture, values refer to behaviors or beliefs that *ought to be* preferred to alternative behaviors or beliefs. Personal values, on the other hand, refer to the individual belief that a certain goal in life (e.g., taking care of others) is to be preferred to another goal (e.g., having a successful career). These personal values do not *prescribe* any cultural or social norm as to which type of behavior should be preferred to other types of behavior. They are personal guidelines that help to make personal choices. Throughout this study, the latter viewpoint – values as personal guidelines – is adopted.

Values guide people when they make choices. Consumers, for instance, will be looking for products or services that express those values that are important to them. If there is a signal, a certain 'flag', telling consumers which values are implied by the product, it will help them to make choices. Brands can perform this signalling function. The values profiled by the brand (e.g., the Italian restaurant represents romance) motivate the consumer to behave in a certain way (the young couple visits the Italian restaurant) to achieve certain goals (a romantic evening together). A brand with clearly defined values will attract those people who are motivated by these values. The young family shops at IKEA, if they are convinced that IKEA represents a modern yet cozy lifestyle. The brand IKEA then is the 'flag': it signals the values represented by the IKEA brand, and tells consumers what they can expect.

Hence, brand values indicate what the brand stands for; they stimulate consumers to have certain associations with the brand. These associations are the essence of the added value of a brand: "... what distinguishes a brand from its unbranded commodity counterpart and gives it equity is the sum total of consumers' perceptions and feelings about the product's attributes and how they perform, about the brand name and what it stands for, and about

the company associated with the brand” (Keller, 2008, p.5). We can expect brands to express those associations that are looked for by the consumers in their target group. These associations are expressed by the brand’s value proposition: “A brand’s value proposition is the set of benefits or values it promises to deliver to consumers to satisfy their needs.” (Armstrong & Kotler, 2013, p. 37). That brands contain an important monetary value can be illustrated by rankings such as the Interbrand Best Global Brands (www.interbrand.com, 2012). This ranking, published annually, depicts the 100 most valuable brands in our world. The most valued brand in this ranking, Apple, contains a brand value of nearly \$ 100 billion (Table 1.1).

**Table 1.1.** The world’s most valuable global brands (www.interbrand.com, 2013).

2013 Rank	2012 Rank	Brand	Country of Origin	Sector	2013 Brand Value (\$m)	Change in Brand Value
1	2		United States	Electronics	98,316	+28%
2	4		United States	Internet Services	93,291	+34%
3	1		United States	Beverages	79,213	+2%
4	3		United States	Business Services	78,808	+4%
5	5		United States	Computer Software	59,546	+3%
6	6		United States	Diversified	46,947	+7%
7	7		United States	Restaurants	41,992	+5%
8	9		South Korea	Technology	39,610	+20%
9	8		United States	Computer Hardware	37,257	-5%
10	10		Japan	Automotive	35,346	+17%

Because of the importance of a strong value proposition, many corporations spend a lot of money and effort in associating their brands with certain values. Multinational corporations, for instance, often profile their core value(s) prominently. For instance, the core value of Unilever is “vitality” (www.unilever.co.uk, 2012). Its competitor Proctor & Gamble profiles with the values “integrity, leadership, ownership, passion for winning, trust” (www.pg.com, 2012). Other examples are “respect, enjoyment and a passion for quality” (www.heinekeninternational.com, 2012), “simplicity, cost effectiveness and meaningfulness” (www.ikea.com, 2012), and “respect, dignity, care for community and

*environmental sustainability*" (www.starbucks.com, 2012). As an additional illustration, the value statement of Coca Cola is displayed in Table 1.2.

**Table 1.2.** Value statement of the Coca Cola Company (www.thecoca-colacompany.com, 2012).

---

### **Live Our Values**

*Our values serve as a compass for our actions and describe how we behave in the world.*

- **Leadership:** *The courage to shape a better future*
  - **Collaboration:** *Leverage collective genius*
  - **Integrity:** *Be real*
  - **Accountability:** *If it is to be, it's up to me*
  - **Passion:** *Committed in heart and mind*
  - **Diversity:** *As inclusive as our brands*
  - **Quality:** *What we do, we do well*
- 

The relevance of values as major determinant of brand equity has been acknowledged in marketing literature. The core brand values are considered the "*abstract associations that characterize the most important aspects or dimensions of a brand*" (Keller, 2003, pp. 45, 151), hence, an important asset for the brand (Kapferer, 2008). In a more popularized overview of the current and future developments in marketing, Kotler, Kartaya, and Setiawan (2010) signal the emergence of what they call values-driven marketing: in order to capture the hearts and minds of the consumers (or other stakeholders), and to create a meaningful relation with these stakeholders, they emphasized that brands ought to be associated with values.

Marketing theory uses values to describe brands, relying on values classifications developed in the 1970s and 1980s: the Rokeach Value Survey (Rokeach, 1973), the List of Values (Kahle, 1983), and the VALS method (Values, Attitudes, and Lifestyles), a method that relates values to lifestyle (Mitchell, 1983). However, these classifications conceptualize values as a list of unrelated items, whereas the current interpretation of the values concept within psychology and sociology emphasizes the interrelations between values in a value system (Hitlin & Piliavin, 2004; Maio, 2010; Rohan, 2000; Schwartz, 1992). A value system is a dynamic interrelated structure in which actions in the pursuit of any value have consequences that conflict with some values but are consistent with others. But the use of a dynamic value system in assessing consumer choice has been limited, so far. A couple of marketing studies used a dynamic value system (e.g., Allen, Gupta, & Monnier, 2008; Torelli, Özsoy, Carvalho, Keh, & Maehle, 2012; Zhang & Bloemer, 2008, 2011). These studies were based on Schwartz's value system (1992), a value system that was designed to evaluate the influence of values on life in general. Values, however, were shown to affect behavior only when they are activated (Verplanken & Holland, 2002). Value activation is context-specific: we can expect that a marketing context such as the choice for a holiday destination or for a new car activates a specific (sub)set of values. Application of a value system in a consumer choice context, therefore, necessitates the use of a values approach specifically geared toward consumer choice, not the replication of a system applied to (human) psychology in a more general sense.

With the introduction of the brand personality concept (Aaker, 1997), the major focus in marketing shifted away from brand values toward brand personality. Aaker introduced the brand personality concept to incorporate the symbolic use of brands in consumer behavior literature. Brand personality, the set of human characteristics associated with a brand (Aaker, 1997), was based on the Five-Factor Model (Costa & McCrae, 1992; Goldberg, 1981), the theory that states that personality traits are organized in five factors. Both brand personality and brand values focus on the associations produced by a brand. However, the brand personality construct has been developed specifically for a branding context, whereas a values construct adapted toward branding does not exist. This has

avored the use of brand personality in marketing literature. Keller (2008, p. 369), for instance, mentions values and brand personality as important determinants of brand image, but in his elaboration of the topic he turns to the brand personality concept, leaving brand values untreated. The distinction between brand values and brand personality is not always clear, judging the following citation in Keller's introduction on brand imagery, where brand values are explained as brand personality traits: "*Brands may also take on values. Five dimensions of brand personality (..) are sincerity (down-to-earth, honest, wholesome, and cheerful), excitement (daring, spirited, imaginative, and up-to-date), competence (reliable, intelligent, successful), sophistication (upper-class and charming) and ruggedness (outdoorsy and tough)*" (Keller, 2008, p. 66). Due to the popularity of brand personality, the potential merits of a brand values concept have remained largely unexplored. A recent article of Torelli, Özsomer, Carvalho, Keh, & Maehle (2012), however, suggested that the use of a values concept for marketing purposes has advantages, compared with the brand personality construct. A couple of recent studies (Kressmann, Sirgy, Herrmann, Huber, Huber, & Lee, 2006; Torelli et al., 2012; Zhang & Bloemer, 2008) explored new roads for application of the values concept in a marketing setting. This study intends to progress along these lines.

Summarizing, we can state that, despite the attention and substantial progress in the conceptualization of values within psychology and sociology, despite the acknowledged importance of values in current-day marketing, and despite the widespread use of brand values to describe the core associations of a brand, the elaboration of the values concept has received limited attention in the marketing context. Instead, concept confusion has lead to the use of brand personality, a *personality instrument*, as indicator for brand *values*. With this research, we intend to bridge the gap between the progress in the values concept in psychology, and the current practice in marketing and branding literature which, so far, has not yet fully taken advantage of this progress. The aim is to generate a comprehensive value system activated toward consumer choice:

*The development of a value system that can be cross-culturally applied to assess the effect of brand values and personal values on consumer choice.*

This purpose implies the following three objectives:

- I. Development of a value system activated toward consumer choice,
- II. Assessment of the effect of values on consumer choice,
- III. Test of the cross-cultural validity of the value system.

The value system that we propose in this study is labelled the Value Compass. The Value Compass is a comprehensive value system applicable to consumer behavior and brand choice. As specified above, the Value Compass intends to bridge the gap between the conceptual progress in psychology, and the current practice in marketing and branding.

We believe it is important to establish the added value of the Value Compass as compared with existing brand concepts. Accordingly, a fourth objective is added, stressing the added value of using brand values instead of the currently most dominant brand concept, Aaker's brand personality framework:

- IV. Demonstration of the conceptual difference between brand values and brand personality.

This study is organized in four sections. These sections cover an extensive overview of the development and validation of the Value Compass. The sections are briefly introduced below.

#### *Part I. Literature review*

We start by providing the theoretical foundations of this study. Chapter 2 presents an overview of relevant literature.

### *Part II. The Value Compass*

The purpose of part II is the development of the Value Compass. The following questions are addressed in this section:

- Which values are relevant for consumer choice?
- To what extent can these values be organized into a meaningful value system?
- To what extent is the Value Compass, and the values it contains, compatible with existing value typologies?

The Value Compass will be developed through a stepwise approach. This development process is described in Chapter 3. The structure and components of the Value Compass are outlined in Chapter 4.

### *Part III. The Value Compass and branding*

A brand is a value proposition (Vargo & Lusch, 2008). This value proposition is the set of values the brand promises to deliver to satisfy the needs of the consumer. Consumers prefer and choose brands partly because of this value proposition. Since consumers have values and brands express values, we need to investigate how the match between consumer values and brand values influences brand preference and brand choice. The following questions will be answered:

- How do brand values influence consumer choice?
- How important is the influence of brand values on consumer choice?
- How, and to what extent, does a match between the brand values and the personal values of the consumer influence consumer choice?

In part III, a model is developed to assess the influence of values on brand choice. In Chapter 5, this model is used to test the influence of brand values on consumer choice. Chapter 6 focuses on the match between brand values and consumer values, and how this match influences choice. Adoption of a brand values concept in a marketing context implies that this concept should have an added value as compared to existing brand concepts. As stated above, the main 'competitor' is the brand personality framework. Chapter 7 presents the comparison of brand values and brand personality. This chapter attempts to answer the following question:

- To what extent does the brand values concept provide a meaningful alternative to the brand personality concept?

### *Part IV. Cross-cultural validity of the Value Compass*

A theory that has been developed in one country is not necessarily applicable in other cultural contexts. Cross-cultural validation is needed to test the extent to which a theory can be used across different cultures. In a cross-cultural analysis of the Value Compass, the following questions need to be answered:

- Does the Value Compass have the same structure across cultures?
- Is it possible to identify cross-cultural differences in the importance of the values that motivate consumer choice?

Cross-cultural validity of the Value Compass is tested by submitting the Value Compass to respondents in a number of different countries, using a similar test design for each country. Chapter 8 presents the outcomes of this test. This chapter also presents similarities and differences of value priorities across a number of selected countries. Chapter 9, finally, summarizes the main conclusions of this book.





*Part I.*

*Literature review*

## **2. Values, brands, and culture**

### **2.1 Introduction**

Values are guiding principles that motivate action to achieve desirable goals. As such, they represent what is important to the individual: a certain value can be very important to one individual but hardly important to somebody else. A major goal of values research has been to relate (differences in) individual value priorities to (differences in) attitudes or behavior (Schwartz, 1996). In this study, we focus on the influence of values on consumer attitudes and consumer behavior. By synthesizing recent developments in the psychological field and in marketing literature, we construct a model that relates values to consumer behavior. This chapter provides an overview of the relevant theory. It includes an overview of values theory, mainly from sources originating from psychology, and an overview of relevant branding and consumer behavior theory. This overview structures the rest of this study. The main conclusions of the literature review are summarized in the form of a number of propositions. The implications of these propositions are tested in the following chapters.

The first three sections of the literature review introduce the values concept. Section 2.2 gives a historical overview of the treatment of values in literature. Then, we continue with a detailed description of the currently most influential value theory: the value system developed by Schwartz. Section 2.4 examines the relation between values and quality of life. People focus many of their activities on realizing higher quality of life. Since values motivate action to realize desirable goals, a link between values and the strive to achieve a higher quality of life is expected. The importance of values as guiding principle in realizing a higher quality of life is further explored in this section.

In this study, the relation between values and behavior is explored for a specific context: the influence of values on consumer behavior. The theoretical aspects of context-specific value activation are discussed in Section 2.5. Section 2.6 then presents an overview of the current use of values in marketing and consumer behavior literature. The influence of values on consumer behavior is discussed in Sections 2.7 and 2.8. These sections show the relevance of the use of brand values, however, without making a comparison with other brand concepts. This comparison is provided in Section 2.9. In this section, the use of values as brand concept is compared with the currently prevailing brand personality construct. Finally, the value system as universal framework is explored in the last section of this chapter. Universality of a value system implies that human behavior all over the world is motivated by the same set of value types.

### **2.2 A history of the values concept**

In the early 20<sup>th</sup> century, Max Weber interpreted values as individual, but culture-bound, points-of-view that motivate action (Bruun, 2007). To Weber, value analysis involved the analysis of the ideas or motivations behind a certain action. In Weber's analysis, this mainly concerned religious or political ideas. The structure of Weber's value system is hierarchical, containing a vertical goal-oriented element, and a horizontal element involving a choice between alternative values:

- Values lead to actions, as means to achieve a desired goal: "*All serious reflection about the ultimate elements of meaningful human conduct is oriented primarily in terms of the categories "end" and "means." We desire something concretely either "for its own sake" or as a means of achieving something else which is more highly desired*" (The Methodology of the Social Sciences, 1904, p. 52).
- To achieve a certain goal a number of alternative values could theoretically be appropriate: "*Exactly the same end may be striven after for very divergent ultimate reasons*" (The Methodology of the Social Sciences, 1904, p. 12). It is up to the individual

– in his cultural context – to make choices. This existence of – potentially conflicting – alternatives makes the analysis of values relevant for our understanding of individual choices.

The notion of values as situation-specific guidelines for choice was further developed in action theory. In action theory, behavior is a motivated, goal-oriented activity, organized in three systems: the personal system, the social system, and the cultural system. The cultural system includes a set of standards, "*the organization of the values, norms, and symbols which guide the choices made by actors and which limit the types of interaction which may occur among actors*" (Parsons & Shils, 1951). Value orientations in action theory provide a more or less normative framework for behavior (Spates, 1983), delineating the individual's commitment to the cultural standards. The anthropologist Kluckhohn, a representative of action theory, defined values as something desirable, motivating the choice between alternative courses of action: "*A conception, explicit or implicit, distinctive of an individual or characteristic of a group, of the desirable which influences the selection from available modes, means and ends of action.*" (Kluckhohn, 1951, p. 395). He developed a value theory serving as framework to analyze cultural differences between groups (Kluckhohn & Strodtbeck, 1961). He used this model to analyze differences between native American culture and the mainstream American culture.

Allport (1961) defined value orientations as ways to live. He designed a personality test – the Study of Values – based on six ideal value types constructed by the German psychologist Eduard Spranger in 1928: the theoretical man, the economic man, the social man, the esthetic man, the political man, and the religious man. In Allport (1961), the notion of value priorities emerges. He stated that a value is a "*belief upon which a man acts by preference*". (Allport, 1961, p. 454). This emphasizes that an individual holds different values, not all of them equally important. This makes it possible to establish a hierarchy of values, showing the relative importance of individual values. Different individuals can be expected to hold different value hierarchies, with behavioral preferences being determined by their most important values.

It is important to distinguish between a value system and value priorities. A value system refers to the way that values are structured. Value priorities are the relative importance of values to an individual, within his or her value system. For instance, we can consider the values *power*<sup>1</sup> and *equality*. In a value system these are two different, to a certain extent perhaps even conflicting values: pursuing *power* might conflict with a need for *equality*. Within someone's value system, *power* can have a higher value priority than *equality*. This person then considers *power* to be more important than *equality*, and part of his choices and actions are focused on achieving *power* (e.g., a powerful position in the workplace). But for another individual, *equality* can be the more important value.

The number of values is not a constant in literature. By some it was ascertained that "*we will probably never develop a complete list that will encompass all possible human values*" (Beatty, Kahle, Homer, & Misra, 1985, p. 185). Kluckhohn & Strodtbeck (1961), on the other hand, developed a system with only five values, and Hofstede (1980) conceptualized cultural differences based on a structure of four cultural (value) dimensions (a fifth and a sixth dimension were added later). Rokeach (1973) assumed a value system consisting of 18 terminal and 18 instrumental values. He considered values to be guiding principles in an individual's life: a value was defined as "*an enduring belief that a specific mode of conduct or end-state of existence is personally or socially desirable to an opposite or converse mode of conduct or end-state of existence.*" (Rokeach, 1973, p. 5). The distinction between mode of conduct and end-state of existence reflects the 'means-to-an-end' element as referred to by Kluckhohn. Some values can be seen as lower-order, instrumental values serving to achieve the higher-order, terminal values desired 'for their own sake'. Rokeach distilled the terminal values in his value system from a literature

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<sup>1</sup> Throughout this dissertation, values are expressed in italics.

review, in combination with interviews with individuals representative of American society (Rokeach included himself as one of the respondents). He selected his instrumental values by making his own, intuitive choice out of an extensive list of personality-trait words derived from the work of Allport and Odbert (1936). With this system of instrumental and terminal values, Rokeach developed the Rokeach Value Survey (RVS). The RVS is a ranking method, asking the respondent to “*arrange the values in order of importance to YOU, as guiding principles in YOUR life*” (Rokeach, 1973, p. 27). Table 2.1 gives an overview of the values in the RVS.

**Table 2.1.** *The values in the Rokeach Value Survey.*

<b>Terminal values</b>	<b>Instrumental values</b>
<i>A comfortable life (a prosperous life)</i>	<i>Ambitious (hard-working, aspiring)</i>
<i>An exciting life (a stimulating, active life)</i>	<i>Broadminded (open-minded)</i>
<i>A sense of accomplishment (lasting contribution)</i>	<i>Capable (competent, effective)</i>
<i>A world at peace (free of war and conflict)</i>	<i>Cheerful (lighthearted, joyful)</i>
<i>A world of beauty (beauty of nature and the arts)</i>	<i>Clean (neat, tidy)</i>
<i>Equality (brotherhood, equal opportunity for all)</i>	<i>Courageous (standing up for your beliefs)</i>
<i>Family security (taking care of loved ones)</i>	<i>Forgiving (willing to pardon others)</i>
<i>Freedom (independence, free choice)</i>	<i>Helpful (working for the welfare of others)</i>
<i>Happiness (contentedness)</i>	<i>Honest (sincere, truthful)</i>
<i>Inner harmony (freedom from inner conflict)</i>	<i>Imaginative (daring, creative)</i>
<i>Mature love (sexual and spiritual intimacy)</i>	<i>Independent (self-reliant, self-sufficient)</i>
<i>National security (protection from attack)</i>	<i>Intellectual (intelligent, reflective)</i>
<i>Pleasure (an enjoyable, leisurely life)</i>	<i>Logical (consistent, rational)</i>
<i>Salvation (saved, eternal life)</i>	<i>Loving (affectionate, tender)</i>
<i>Self-respect (self-esteem)</i>	<i>Obedient (dutiful, respectful)</i>
<i>Social recognition (respect, admiration)</i>	<i>Polite (courteous, well-mannered)</i>
<i>True friendship (close companionship)</i>	<i>Responsible (dependable, reliable)</i>
<i>Wisdom (a mature understanding of life)</i>	<i>Self-controlled (restrained, self-disciplined)</i>

Rokeach’s conceptualization of values differs significantly from the values concept in action theory. In action theory, a value is seen as a moral, *culturally determined* belief about the most appropriate rationale for action. For Rokeach, a value is an *individually determined* belief directing a preferred way of behavior. A related method, the List of Values (LOV), was developed from Rokeach’s work on values (Beatty et al., 1985; Kahle, 1983). The purpose of the LOV was to create a set of values related more closely to life’s major activities (e.g., marriage, work, daily consumption) than the values in the RVS. As a consequence, the LOV is more related to behavior based on individual choice than the RVS.

Both the value system developed by Rokeach and the List of Values represent, as literally expressed by the latter, a ‘list of values’. Rokeach does distinguish between instrumental and terminal values, but he does not provide additional insight into how these two types of values relate to each other. His value system does not describe other interrelations between values. By not considering the interrelations between values, these value systems are, essentially, more a list of unconnected value words than a true value *system*. In the next stage of the development of the values concept, conceptualization evolved from listing values as more or less unrelated words or categories of words toward modelling these values into a ‘real’ value system, a structure providing insight into how values relate to each other. This stage in the development of the values concept was accomplished by the work of Schwartz (1992).

### **2.3 The value theory of Schwartz: a coherent structure of compatible and conflicting value types**

Weber already acknowledged the horizontal interrelations between values, by pointing out that different, potentially conflicting, values can result in striving for the same goal. The emphasis on the relations between values, and the notion of viewing a value system as a structure of interrelated values, is central to the work of Schwartz (1992): “*Consistent conflicts and compatibilities among values (...) point to a meaningful structure that underlies relations among single values.*” (p. 3). The structure of his value system has become the standard in current-day thinking about values.

Six features of values are central to Schwartz’s conceptualization of values (Schwartz, 1992, 2006; Schwartz & Bilsky, 1987):

1. Values are beliefs. When values become activated, they create feelings. For instance, if *independence* is an important value to someone, he or she will become aroused if his or her independence is threatened.
2. A value is a guiding principle, referring to a desirable (end) goal. Values motivate action to pursue these goals.
3. Values transcend specific actions and situations. *Independence* as value would be relevant at work, but also with family, in sports, or in political opinions. This feature distinguishes values from narrower concepts like norms and attitudes that usually refer to specific actions, objects, or situations.
4. Values serve as standards or criteria; they enable the selection or evaluation of actions, policies, people, and events. People decide what is good or bad, or worth doing or avoiding, based on possible consequences for their cherished values. This often is an unconscious process.
5. Values are ordered by importance relative to one another. This hierarchical feature also distinguishes values from norms and attitudes.
6. The relative importance of multiple values guides action. The trade-off among relevant, compatible and conflicting values is what guides attitudes and behavior.

It is important to highlight the difference between values and needs. Both needs and values motivate action. The need, as motive for action, was elaborated on by Maslow (1954)<sup>2</sup>. A need is a drive for an organism, either human or animal. As opposed to needs, people are not born with their values. In contrast, values represent learned beliefs about preferred ways of acting or being (Olver & Mooradian, 2003). These behavioral preferences reflect the strategies the individual adopted to cope with the three universal requirements with which all individuals are confronted (Schwartz, 1994; Schwartz & Bilsky, 1987): biological needs (organism), social motives (interaction), and institutional demands (society). In other words, needs can translate into values, but societal or psychological norms might stimulate or constrain this development. Consequently, values are susceptible to social or cultural influences.

As was pointed out above, Schwartz emphasized the interrelations between values. A key aspect of his value theory is the assumption that some values reinforce each other, while other values have a conflicting impact. For example, an individual who values *power* likely also favors compatible values such as *leadership*, or other values emphasizing the possibility to have influence over another person. *Equality*, on the other hand, does not agree with having power and is likely to be a conflicting value. Individual behavior is a trade-off of the interplay of compatible and conflicting values. Schwartz hypothesized that

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<sup>2</sup> Maslow did not make a sharp distinction between needs and values. In some instances he connects the individual’s value system directly to his need structure, for instance: “*For the basically deprived man [on the lowest level of the needs hierarchy] the world is a dangerous place, a jungle (...). His value system is of necessity, like that of any jungle denizen, dominated and organized by the lower needs, especially the creature needs and the safety needs.*” (Maslow, 1954, p. 178).

the conflicts and compatibilities among value types constitute universal interrelations. Schwartz tested his value theory with what is now called the Schwartz Value Survey. For his value survey, Schwartz (1992) took values from Rokeach's survey, and combined these with values that he derived from instruments developed in other cultures, for instance, the Chinese Culture Connection (1987) and Hofstede's cultural dimensions (1980). Out of these sources, Schwartz selected 56 values. In a cross-cultural study, he submitted these values to a sample which encompassed at first twenty countries (Schwartz, 1992) and was later on gradually expanded to 67 countries (Schwartz, 2006).

In the cross-cultural study, Schwartz found evidence for ten value types. Each of the ten value types represents a number of values whose meaning and motivational goal match with the corresponding value type. The value types are mentioned in Table 2.2. In this table, the individual value items that Schwartz used as indicators for these value types are presented in the last column.

**Table 2.2.** *The value types of Schwartz's value system.*

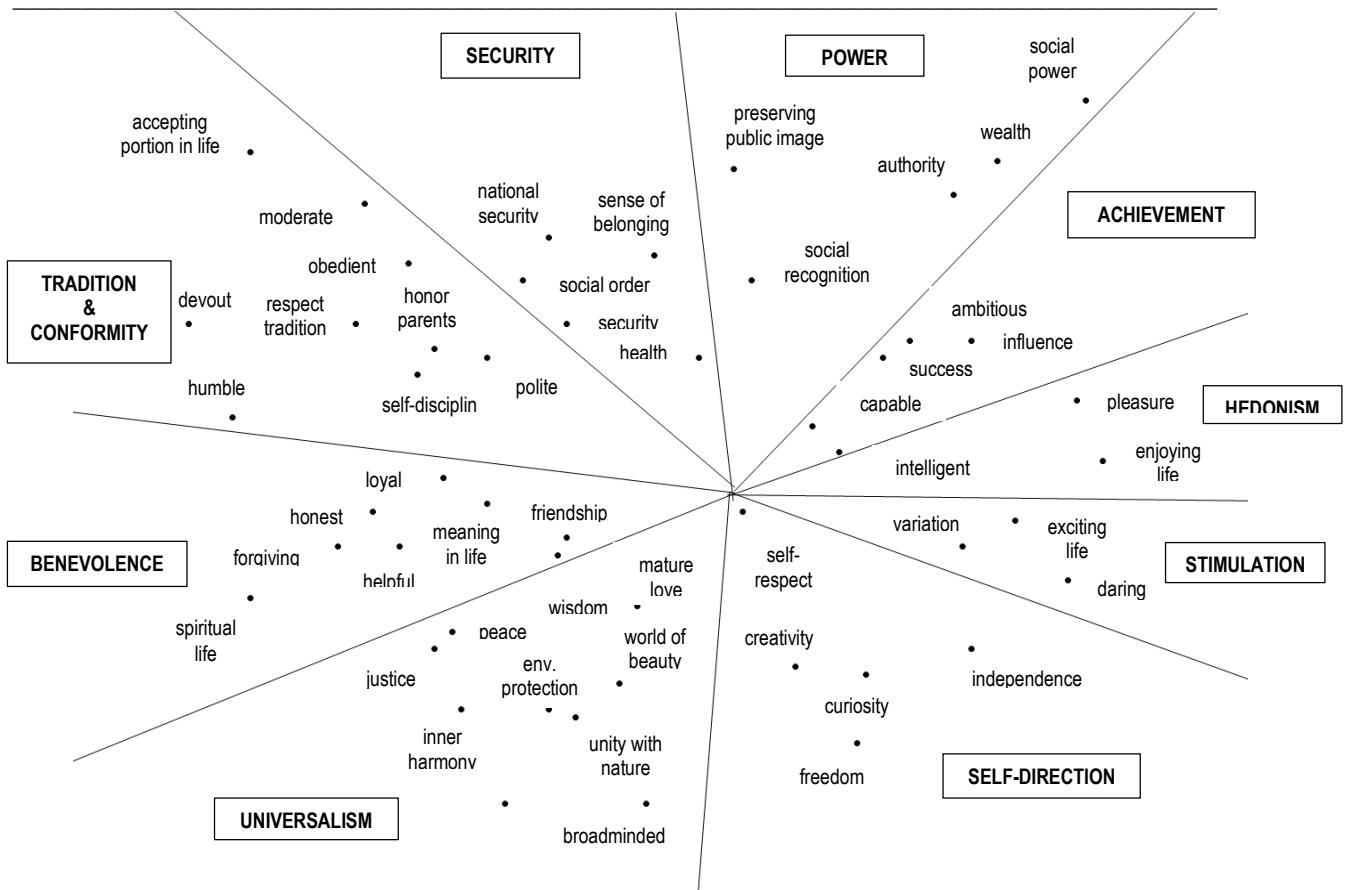
<b>Value type</b>	<b>Defining goal</b>	<b>Corresponding value items</b>
<i>Self-direction</i>	<i>independent thought and action – choosing, creating, exploring</i>	<i>Creativity, freedom, choosing own goals, curious, independent</i>
<i>Stimulation</i>	<i>Values of this value type derive from the need for variety and stimulation in order to maintain an optimal level of stimulation. The defining goal of this value type: excitement, novelty, challenge in life</i>	<i>A varied life, an exciting life, daring</i>
<i>Hedonism</i>	<i>Pleasure or sensuous gratification for oneself</i>	<i>Pleasure, enjoying life</i>
<i>Achievement</i>	<i>Personal success through demonstrating competence according to social standards</i>	<i>Ambitious, successful, capable, influential</i>
<i>Power</i>	<i>Attainment of social status and prestige, and control or dominance over people and resources</i>	<i>Authority, wealth, social power</i>
<i>Security</i>	<i>Safety, harmony, and stability of society, of relationships and of self</i>	<i>Social order, family security, national security, clean, reciprocation of favors</i>
<i>Conformity</i>	<i>Restraint of actions, inclinations, and impulses likely to upset or harm others and violate social expectations or norms</i>	<i>Obedient, self-discipline, politeness, honouring parents and elders</i>
<i>Tradition</i>	<i>Respect, commitment and acceptance of the customs and ideas that one's culture or religion provides</i>	<i>Respect for tradition, humble, devout, accepting my portion in life</i>
<i>Benevolence</i>	<i>Preserving and enhancing the welfare of those with whom one is in frequent personal contact</i>	<i>Helpful, honest, forgiving, responsible, true friendship, mature love</i>
<i>Universalism</i>	<i>Understanding, appreciation, tolerance and protection for the welfare of all people and for nature</i>	<i>Broad-minded, social justice, equality, world at peace, world of beauty, unity with nature, wisdom, protecting the environment</i>

Schwartz (1992) demonstrated that these values are related to each other, and that these relations can be represented as a circular structure. The closer values are located in this circular structure, the more similar their underlying motivations. The more distant they are positioned, the more conflicting their underlying motivations. Schwartz (1992) suggested that two motivational dimensions structure the value system:

1. *Self-enhancement versus self-transcendence*: the conflict between values with a primary focus on the pursuit of the individual interest and values focusing on the well-being and interest of others.
2. *Openness to change versus conservation*: the contrast between people's motivation to follow their own intellectual and emotional interests, versus the motivation to preserve

the status quo and the certainty it provides in relationships with close others, institutions and traditions.

Figure 2.1 presents the structure of the human value system, as uncovered by Schwartz; a more schematic representation is presented in Figure 2.2. As an example, we can see in this figure that *equality* (value type *universalism*) and *power* indeed represent conflicting motivations, whereas, for instance, *power* and *achievement* are neighboring value types, hence representing more compatible motivations.



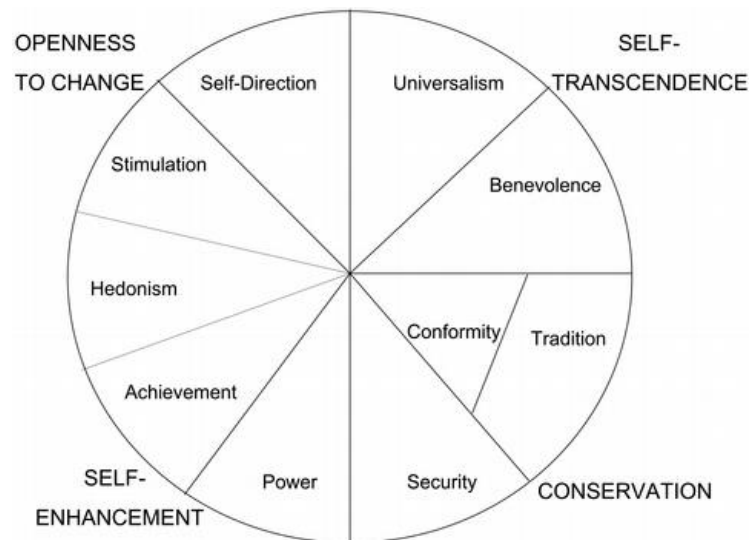
**Figure 2.1.** The structure of Schwartz's value system (adapted from Schwartz, 1992).

With his cross-cultural studies, Schwartz (1992, 1994) found supportive evidence that the structure of the human value system, as presented in Figures 2.1 and 2.2, provides a near-universal representation of human values. This implies that the values of individuals from different cultural backgrounds can be described according to this structure. However, this does not imply that the importance of all these values is the same across individuals. Although, for instance, for everybody *equality* and *power* are conflicting motivations, people differ in the relative importance they place on these (or on other) values. If a person is gifted with strong inner needs for dominance or recognition, then he might consider power and status important values in his life. If this individual was raised in a society that appreciates power distance, then his tendency to value power is likely to be reinforced, whereas it might be restrained to a certain extent in an egalitarian society. In short, individual differences in value priorities derive from each person's unique combination of biological endowments, in combination with the demands placed on the individual by his environment.

Although Schwartz's theory identifies distinctive value types, it also postulates that values form a continuum of related motivations. In empirical studies, values from adjacent types may intermix. For example, we see in Figure 2.1 that *exciting life* and *enjoying life* belong



to different value types, although they represent related motivations. In contrast, values and value types that express opposing motivations are clearly distant from one another. For instance, values expressing the desire to make a difference with others, for instance, *power* or *achievement* values, oppose universalist values such as *equality* or *unity with nature*.



**Figure 2.2.** Schematic representation of Schwartz's value system (adapted from Schwartz, 1992).

Finally, it is relevant to point out that, although Schwartz emphasized relations between values, he did not find evidence for a distinction between instrumental and terminal values, as was assumed by Rokeach. Hence, as opposed to Rokeach, Schwartz's value theory does not differentiate between terminal and instrumental values.

## 2.4 The ultimate motivation: a higher quality of life

As was expressed previously, individual value priorities reflect the strategies the individual adopted to deal with the requirements of life. This might imply a conception of values as guidelines for survival, either in a Darwinistic sense, or in coping with societal demands. But, although survival certainly is a minimum requirement, the concept of values as guidelines for choice optimization assumes that more than basic survival is at stake. Actually, many views relate values to achieving the optimum, as opposed to surviving life's necessities. For instance, human behavior has been demonstrated to correlate with values as means to achieve one's personal well-being (Levy, 1990). Rohan (2000) similarly conceptualized value priorities as guidelines to best possible living. This notion can also be retraced in the two major value systems discussed so far. Rokeach (1979, p. 147) identified values as meaningful indicators for the quality of life. In a similar style, Schwartz (1992, p. 8) observed that the value *happiness* is positively correlated with all other values, and can be attained through the successful pursuit of the individual's value priorities<sup>3</sup>.

<sup>3</sup> With respect to the strive for best possible living, there is a resemblance between the conceptualizations of needs and values. In Maslow's needs hierarchy (1954), a distinction is made between lower and higher needs. The highest need, self-actualisation, resembles best possible living: self-actualisation means living one's life according to one's full potential. Maslow's need hierarchy implies that lower needs need to be satisfied before the need of self-actualisation becomes relevant.

The notions of happiness, quality of life, and well-being can be traced back to the concept of *eudaimonia* in ancient Greek philosophy. Best possible living was recognized by Aristotle and his contemporaries as *eudaimonia*, the ultimate goal toward which all human action is directed. In ancient philosophy, a lot of attention was devoted to the type of virtues or activities that would enable the realization of *eudaimonia*. Text box 2.1 provides an extensive background. The concept of *eudaimonia* is relevant to present-day psychology: attaining a higher level of *eudaimonia* has been related, for instance, to the fulfilment of basic needs in motivation theory (Deci & Ryan, 2008; Ryan & Deci, 2000), and the achievement of goals motivated by values in value theory (Rohan, 2000).

The concept of quality of life is widely used across disciplines including economics, ecology, psychology, law, political science, and social welfare. It was already a matter of debate among the ancient Greeks, and still the ever returning question is: *what makes for a good or satisfying life?* Two different types of indicators are used nowadays to define and measure quality of life (Diener & Suh, 1997):

- 'Objective' or social indicators: indicators reflecting people's objective circumstances in a given cultural or geographic unit (e.g., welfare, health, education or human rights indices)
- Subjective well-being (SWB): the individual's judgment of his own well-being. SWB is typically measured by using one or more of the following indicators (Deci & Ryan, 2008; Diener, 2000): life satisfaction, feelings of positive and negative affect, and unpleasant emotions like sadness, depression, and stress.

Although literature on SWB often proposes *happiness* as key element, happiness – up to a certain extent – has an association with more hedonic pleasure. The discussion in Text box 2.1 highlights the difference between happiness and the more eudaimonic *best possible living* (see also Deci & Ryan, 2008; Waterman, 1993). Although the discussion is partly semantic, it is important to point out that a higher quality of life can be attained in various ways. If we consider values as guidelines to a higher quality of life, then the different values in the individual's value system – and hedonic pleasure can be one of them – form alternative ways of attaining a higher quality of life.

'Objective' economic indicators like Gross Domestic Product (GDP) often prevail as indicator for the quality of life. But in many western societies, over the past 50 years, the per capita income levels have at least doubled, whereas subjective well-being hardly changed (Diener & Suh, 1997). The rewards of an increase in per capita GDP seem to level off at a threshold of around \$ 10,000<sup>4</sup>. Above this threshold, a further increase in material progress does not lead to a significant increase in subjective well-being (Inglehart, 1997). Other studies confirm that external influences such as income, age, or education explain only up to a maximum of 20% of someone's quality of life (Diener, Suh, Lucas, & Smith, 1999), and that quality of life is primarily enhanced by satisfying psychological needs (Deci & Ryan, 2008). This stresses the importance of SWB, in measuring quality of life, as opposed to 'objective' motivations such as per capita income. Results from the World Values Survey confirm this tendency: in developed countries, values emphasizing economic growth and achievement lose importance, whereas values related to subjective well-being (e.g., self-expression, individual autonomy, diversity) become more prominent (Inglehart, 1997). In accordance with this development, in July 2011, the General Assembly of the United Nations recognized the importance of happiness and well-being, and advocated the use of measures of well-being instead of GDP-related indicators (www.un.org, 2011). Bhutan, so far, is the only country profiling itself with the use of 'Gross National Happiness' as indicator, instead of other (economic) indicators<sup>5</sup>.

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<sup>4</sup> Inglehart (1997) uses a threshold of \$ 6,000- \$7,000 based on the 1990 dollar value, which equates to a 2014 dollar value of around \$ 10,000.

<sup>5</sup> Bhutan does not seem to qualify as the typical example of a country with prominent well-being values. Although it emphasizes Gross National Happiness, with an annual per capita GDP of \$ 7,000 (www.CIA.gov, 2014) Bhutan is well below the observed threshold of \$ 10,000.

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### **Text Box 2.1 Eudaimonia**

The concept of quality of life is grounded in classical philosophy. The word eudaimonia is a combination of “eu” (good) and “daimon” (spirit). Although often translated as “happiness”, the meaning of the word is more closely related to “flourishing” (Cooper, 1975), or “well-being”, “the feelings accompanying the realization of one’s goals and purpose in life” (Ryff, 1989). A more or less similar expression can be found in Maslow’s *Motivation and Personality* (1954), when he addresses self-actualization, the highest need in his hierarchy of needs:

*What a man can be, he must be. [...] Self-actualization [...] refers to man’s desire for self-fulfilment, namely, to the tendency for him to become actualized in what he is potentially (Motivation and Personality, p. 46)*

In ancient times, realizing this full potential, and what this actually means, was a matter of what we would call now fierce debate. In his *Nicomachean Ethics* (4<sup>th</sup> century BC), Aristotle considers eudaimonia ‘the highest good for human beings’ (*Nicomachean Ethics*, 1095a, 15-17), the ultimate human goal of each and every individual:

*For eudaimonia we choose always for itself and never for the sake of something else, but honour, pleasure, reason and every virtue we choose [...] them also for the sake of eudaimonia. Eudaimonia, on the other hand, no one chooses for the sake of these, nor, in general, for anything other than itself (Nicomachean Ethics, 1097a, 1-7)*

*For, in a word, everything we choose we choose for the sake of something else – except eudaimonia, which is an end. (Nicomachean Ethics, 1176b, 36-38).*

If eudaimonia represents best possible living, the ultimate goal toward which all other human action is directed, then people live and strive in order to realize their full potential. Hence, all human activities, wishes, or desires, can be considered means to achieve eudaimonia. Then, it becomes relevant to determine which of these means serve this purpose best:

*Verbally there is very general agreement; for both the general run of men and people of superior refinement say that it is eudaimonia [...] but with regard to what eudaimonia is they differ, and the many do not give the same account as the wise. For the former think it is some plain and obvious thing, like pleasure, wealth, or honour ... (Nicomachean Ethics, 1095a, 17-24)*

Where the ‘many’ (i.e., the quite ignorant majority of people) consider happiness the result of wealth or pleasure, the ‘wise’ hold a different opinion. Both Plato, and through him Socrates, are quite normative in the guiding principle to achieve eudaimonia. They consider that happiness and virtue are inseparably linked. Only a virtuous life will lead to eudaimonia, e.g., in the following citation from *The Republic* (4<sup>th</sup> century BC):

*And the same may be said of lust and anger and all the other affections, of desire and pain and pleasure, [...]they ought to be controlled, if mankind are ever to increase in eudaimonia and virtue (The Republic, X, 606d)*

Plato believes that each part of the soul pursues its own pleasure. The highest quality of life can be realized if the three parts of the soul are harmoniously in balance, governed by the virtue<sup>1</sup> of wisdom in the rational part, the virtue of courage in the spirited part, and the virtue of moderation (control over bodily pleasures) of that part of the soul governed by our desires. When considering best possible living, also Aristotle acknowledges the importance of moderation:

*Virtue is a state of character concerned with choice [...] It is a mean between two vices, that which depends on excess and that which depends on defect (Aristotle, Nichomachean Ethics, 1107a, 1-5). For eudaimonia does not lie in [bodily pleasures], but [...] in virtuous activities (Nichomachean Ethics, 1177a, 9-10)*

*The highest virtue can be realized when a man lives according to its nature. According to Aristoteles (agreeing with other contemporaries, e.g., Anaxagoras, Plato), this is 'nous', intellect, also translated as reason, or common sense:*

*That which is proper to each thing is by nature best and most pleasant for each thing; for man therefore, the life according to intellect is best and most pleasant, since intellect more than anything else is man. This life therefore is also the most eudaimonious (Nicomachean Ethics, 1178a, 5-9)*

*In Stoicism, like for Aristotle, pleasure is seen as contrary to nature (Cleanthes, 3<sup>rd</sup> Century BC), consequently, not as a virtue. Best possible living can be characterized by control over emotions, specifically control over pleasure (Arrian's Discourses of Epictetus, 108 AD), to live consistently with nature (Cleanthes), or to live in accordance with one's own human nature, as well as that of the universe (Chrysippus, 3<sup>rd</sup> Century BC).*

*Democritus, around 400 BC, also favors intellect and moderation, but he asserts that the motive of our actions is the pursuit of pleasure and the avoidance of displeasure:*

*The best thing for a man is to live his life as cheerfully as possible, and with the least distress. (Democritus, fragment 53, Stobaeus III, 1, 46)*

*The pursuit of pleasure, and the avoidance of pain becomes central in hedonism. Epicurus (around 300 BC) recognizes that pleasure ("hedone") is the end goal of human existence, the way to reach the highest quality of life, a notion opposite to the Stoic view. This is evident in the following text:*

*For this reason we call pleasure the alpha and omega of eudaimonious life. Pleasure is our first and kindred good. It is the starting-point of every choice and of every aversion, and to it we come back, inasmuch as we make feeling the rule by which to judge of every good thing. (Epicurus, Letter to Menoeceus 128-129)*

*Where many of his contemporaries see virtues as a condition for, or even as a constituent of eudaimonia, for Epicurus virtues are only one of the means to achieve 'best possible living':*

*Let beauty and virtue and suchlike be honoured, if they provide pleasure; if they do not provide pleasure, let them go (Epicurus, Fragments 12)*

*The moralistic element in Epicurus appears to be absent, as opposed to, for instance, Plato who considers some roads to eudaimonia evidently superior to others (e.g., intellect or wisdom superior to wealth or sensual pleasure).*

- 1) *The Greek 'arete' is commonly translated as virtue. The meaning is best conveyed by 'excellence': for a Greek virtue pertains to all sorts of desirable qualities as in, for instance, 'speed is virtue to a horse'.*

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In assessing someone's feeling of well-being, goals serve as an important standard of reference (Diener & Suh, 1997). People react in positive ways when making progress toward goals and react negatively when they fail to achieve goals. But not all goals are related to SWB. It was demonstrated that SWB is only enhanced by progress toward goals that are in line with individual motivations (Brunstein, Schultheiss, & Grassman, 1998). This highlights the importance of values: values are the individual's motivations that stimulate action to achieve desirable goals. Consequently, an increase in SWB is most likely to be experienced when people make progress toward achieving personal goals that are derived from their most important values (Diener & Suh, 1997). As a consequence, attempts have been made to develop a value-based index to assess quality of life (Diener, 1995).

The importance of values as guides to a higher quality of life brings us to the first proposition of this study. We propose that quality of life can be enhanced by any of the values in an individual's value system<sup>6</sup>:

*Proposition 1:*

*Values are guiding principles. Values motivate people to make choices that improve their quality of life.*

## **2.5 Value activation**

Specific value priorities lead to preferences of an individual, a society, culture, or subculture. The notion of peace and love in the 60s and 70s, or the emphasis on ambition in the 80s (iconized by Gordon Gekko in Oliver Stone's 1987 movie *Wall Street*), form mere illustrations of this notion: relative importance of certain value priorities set the direction of thought and action within a given context. This general principle is expressed in the following quotation of Max Weber:

*".. every history is written from the standpoint of the value-interests of the present and that every present poses or can pose new questions to the data of history because its interest, guided by value-ideas, changes ..."* (Weber, 1904, p. 157)

In the Schwartz Value Survey, individuals are asked to rate the importance of values "as a guiding principle in MY life" (Schwartz, 1992, p. 17). This way of asking creates no reference to any particular situation. The hidden assumption is that the importance of values does not depend on the context: the assumption of the stable value system. This is in line with one of the central features of values: values transcend specific actions and situations (Feather, 1975; Schwartz, 2006).

The citation of Weber, on the other hand, suggests that value priorities are not a constant. This was affirmed by a number of studies: values affect behavior only when they are activated. Activation is context-specific, and depends on the situation or the information with which a person is confronted (Verplanken & Holland, 2002; Verplanken, Trafimow, Khusid, Holland, & Steentjes, 2009). For example, suppose an individual watches a charity show on tv, and is confronted with images of people being victim of war and hunger. This activates his values for a world at peace, or equality, and these values motivate a certain behavior (e.g., he donates money). The next day, the competitive environment of his office activates his sense of ambition, motivating him to work harder than his co-workers in order to earn a bonus. Apparently, the individual ordering of his value priorities is situation-specific. Additional empirical support was provided by Seligman and Katz (1996). Individuals were found to show different value priorities for different target issues. In one of their studies they observed changes in value priorities when people judged abortion. For those favoring the pro-choice stance, the values *freedom* and *sanctity of one's own body* increase in importance when they think about abortion, as compared to the importance of these values in their lives in general. For the anti-abortionists, the values *sanctity of life* and *inner harmony* have a higher priority when they specifically judge abortion. These results are in line with Rokeach's observation (1973) that a value system is never fully activated. He considered a value system as a mental blueprint, of which different subsets

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<sup>6</sup> The status of Proposition 1 is somewhat different than that of the other propositions in this book. Proposition 1 is derived from the literature to which we referred in Section 2.4, and can be considered a general frame of reference for the rest of this book. Propositions 2 to 7 are used to derive hypotheses which are tested throughout this book.

are activated in different situations. Any given situation may activate a number of different values, but not all values in a person's value system are simultaneously activated in any choice situation.

The above-mentioned studies do not directly challenge the value system structure as proposed by Schwartz. However, they do challenge one of the six features of values mentioned in Section 2.3: the assumption that values transcend specific actions and situations. The above-mentioned studies demonstrate that external influences change the order of value priorities in a value system. As a consequence, the importance of values does not fully transcend specific actions and situations. Hence, we can conclude that values motivate behavior, but the relative importance of value priorities depends on the extent to which they are activated by the situation.

This dissertation is focused on consumer choice. Following the statement developed in Section 2.4, values motivate the individual to make those choices that maximize his perceived quality of life. Thus, we can expect values to motivate consumer choice decisions as well. In line with this observation, a limited number of recent studies used Schwartz's value system to assess the impact of values on brand preferences and brand loyalty (Torelli et al., 2008, 2012; Zhang & Bloemer, 2008). However, the previous overview highlighted that value activation is context-specific, whereas Schwartz's value system refers to life in general, not toward consumer choice. Within a consumer choice context, the importance of certain values is not necessarily the same as their importance as guiding principle for life in general. Some of the values defined by Schwartz might not be applicable to the brand context at all. In a general marketing textbook (Shimp, 2010), for instance, the value types conformity, tradition, benevolence, and universalism were not assumed to typify usual consumer behavior for most products or services. On the other hand, it has also been suggested that brand values not covered by Schwartz's value system might exist (Gaus, Jahn, Kiessling, & Drengner, 2010; Lages & Fernandes, 2005).

It is important to note here that similar observations were made with respect to the relation between attitude and behavior (Ajzen, 1991; Ajzen & Fishbein, 2005; Fishbein & Ajzen, 1975): a general attitude failed to correlate with context-specific behavior. To counter the lack of correspondence between attitude and behavior, the theory of reasoned action was developed. This theory emphasized the importance of defining more situation-specific attitudes when one wants to link attitudes with behavior.

There is another reason why the values of Schwartz's value theory might be less suitable for consumer choice. This involves the abstract nature of these values (Maio, 2010). Because they apply to all aspects of life, some values were described in a more general, abstract sense, so that these values actually have the potential to cover all aspects of life. But when more abstract words are used to describe a value (e.g., in a survey), it might become more difficult for consumers to attribute a specific motivation to this value. For instance, Schwartz's value system contains values such as *equality*, *reciprocation of favors*, or *accepting my portion in life*. Even though these values could be applicable to a certain consumer choice situation, it might be difficult for consumers to relate these values – without further specification – to specific buying motives in this choice context. The abstract nature of values complicates their assessment, and leaves room for various interpretations among individuals.

The above-mentioned complications seem to point to the necessity of a more specific value measurement, activated toward the behavior of interest. Hence, if we want to use values to assess consumer choice, we need a value system that is activated toward consumer choice.

*Proposition 2:*

*A consumer choice situation, being a specific choice context, activates a specific (sub)set of values. This set of values is structured as a dynamic value system of compatible and conflicting values.*

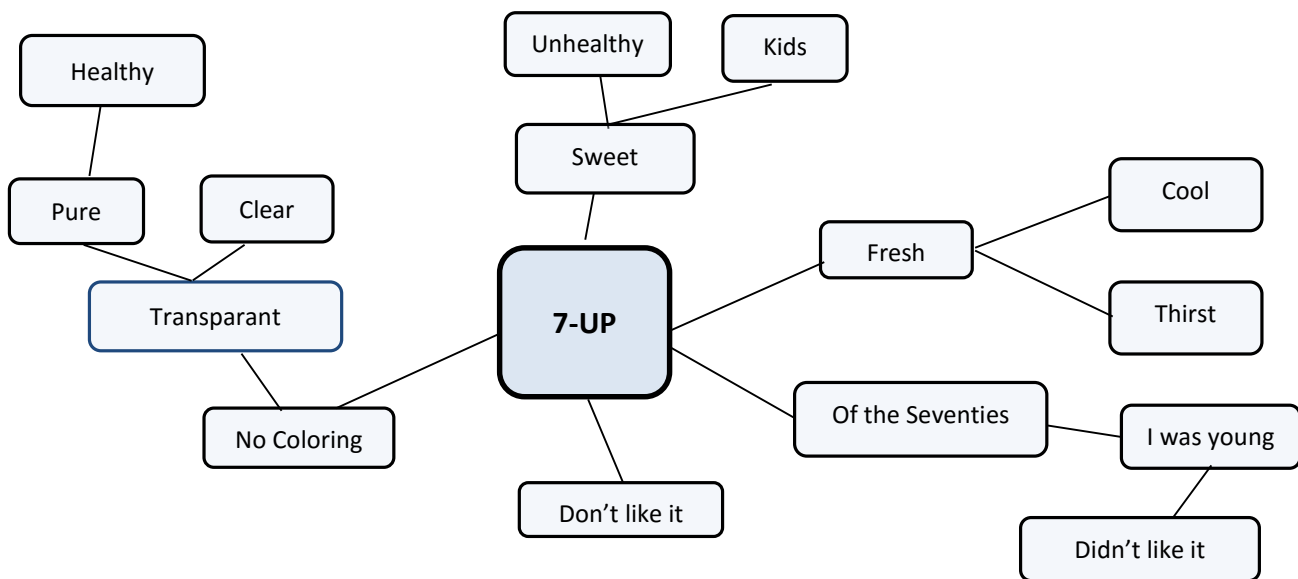
## **2.6 Brand values**

As we noted in the introduction, many corporations profile their brands by emphasizing the values that the brand is supposed to represent. Values represent motivations of human beings, but apparently it makes also sense to associate brands with values. The following sections provide a deeper understanding of the importance of brand values. We will show that brand choice can be seen as a process in which consumers somehow try to find a match between their own values and the values proposed by the brand.

### **A brand is a set of mental associations**

Brands are an essential element in current-day society. In the introduction, we referred to a brand as the set of mental associations, held by the consumer, that add to the perceived value of the branded product or service. The added value of the brand then can be seen as the consumer's reaction to the brand, in comparison to his reaction to a non-branded version of the product or service. This added value, which has been labelled "brand equity" (Keller, 2008), occurs when the consumer is familiar with the brand and holds some favorable, strong, and unique associations about the brand. It can imply that the consumer is enticed to like the brand, to prefer the brand, or even to buy or to continue buying the brand, simply because of these positive associations. For instance, even though Coca Cola is essentially a dark-colored soft drink with a lot of sugar, with the help of marketing activities this brand now represents happiness to some people, and this –conscious or subconscious– association stimulates them to buy Coca Cola.

Brand awareness and brand associations can be conceptualized as an associative network (Keller, 1993). When memory or knowledge is modelled as an associative network, it is considered to consist of a set of nodes and links. Nodes are stored information connected by links that vary in strength. As an example, Figure 2.3 presents a possible associative network a certain individual can have with respect to 7-Up. The brand 7-Up contains information for this individual; seeing 7-Up, or thinking about 7-Up, activates the associations linked with this brand. Brand associations can include the features of the brand (*7-Up has no color*), or aspects independent of the product, like benefits (*refreshing*), previous experiences (*I didn't like it*), or values associated with the brand (*pure, healthy*). In this associative network, even conflicting associations are visible. Depending on the strength of the links to *sweet* or *no coloring*, the brand is considered either as predominantly healthy or predominantly unhealthy. An associative network is individually determined: if different consumers were asked to draw their associations with 7-Up, different associative networks would result.



**Figure 2.3.** An example of an associative network.

## Brand benefits

Brands (products or services) have features or attributes. In the case of a car, for instance, these attributes include size, engine capacity, the design of the car, the color, and so on. Consumers derive benefits from these tangible or intangible attributes (Gutman, 1982). Benefits are the consequences consumers enjoy from the consumption of products and services. For a car, these benefits might include a comfortable drive, arriving quickly at the destination, or safe means of transportation. In Gutman's means-end chain model, benefits are linked to values (Gutman, 1982). According to this model, consumers choose actions that produce desired consequences and minimize undesired consequences. Values determine the desirability of these consequences: benefits are considered favorable (attractive) or unfavorable, depending on the value priorities of the consumer. For example, a consumer who values safety will think the benefit of a safe means of transportation is more important than comfort.

Marketing literature provides a number of classifications of benefits. Holbrook and Hirschman (1982) distinguish two types of benefits of consumption by contrasting two views of consumer behavior, the –more or less– rational information processing model and a view focusing on consumer experience. The information processing model regards the consumer as a logical thinker who solves problems to make purchasing decisions. This results in a focus on the tangible benefits of goods and services: products perform functions based on relatively objective features. The success of a purchasing decision is primarily evaluated by utilitarian criteria: one asks how well the good or service performs its proper function or achieves its intended purpose. According to the experience-focused view, the consequences of consumption relate to the overall consumer experience – the enjoyment that it offers and the resulting feeling of pleasure that it evokes. This creates a focus on the symbolic, hedonic, and esthetic nature of consumption, by considering aspects such as amusement, fantasy, arousal, sensory stimulation, or enjoyment. With respect to the experiential view, hedonic consumption is defined as “*those facets of consumer behavior that relate to the multisensory, fantasy and emotive aspects of one's experience with products*” (Hirschman & Holbrook, 1982, p. 92).

In the same vein, Batra and Ahtola (1990) recognized two basic motivations that drive consumer behavior: affective (hedonic) gratification and instrumental, utilitarian reasons.



They showed, through several empirical studies, that attitudes toward brands have both a hedonic and a utilitarian component. This two-dimensional conceptualization was also found by Voss, Spangenberg and Grohmann (2003). They suggested that the hedonic and utilitarian components are two distinct dimensions. The utilitarian dimension in their model is derived from functions performed by products, and the hedonic dimension deals with sensations derived from the experience of using products. Hedonic and utilitarian dimensions of consumer attitude were measured by a scale consisting of ten items: five utilitarian items and five hedonic items (see Table 2.3).

**Table 2.3.** *Scale measuring the hedonic and utilitarian dimensions of consumer attitude (Voss, Spangenberg, & Grohmann, 2003).*

<b>Utilitarian items</b>	<b>Hedonic items</b>
<i>Effective ⇔ ineffective</i>	<i>Not fun ⇔ fun</i>
<i>Helpful ⇔ unhelpful</i>	<i>Dull ⇔ exciting</i>
<i>Functional ⇔ not functional</i>	<i>Not delightful ⇔ delightful</i>
<i>Necessary ⇔ unnecessary</i>	<i>Not thrilling ⇔ thrilling</i>
<i>Practical ⇔ unpractical</i>	<i>Enjoyable ⇔ unenjoyable</i>

The interplay between utilitarian and hedonic benefits has gained importance in recent years. It has been related to, for instance, shopping motivations (Arnold & Reynolds, 2003; Babin, Darden, & Griffin, 1994), product preferences (Chitturi, Raghunathan, & Mahajan, 2007), consumer attitude toward brand extensions (Czellar, 2002), consumer choice (Dhar & Wertenbroch, 2000; Okada, 2005), and postconsumption experience (Chitturi, Raghunathan, & Mahajan, 2008). In her article on brand personality, Aaker (1997) used a framework similar to the hedonic-utilitarian distinction. She distinguished between symbolic product categories (e.g., jeans, cosmetics), utilitarian product categories (e.g., computers, appliances), and product categories with both utilitarian and symbolic aspects (e.g., automobiles, beverages, or athletic shoes). Keller (2008) made a similar distinction, by identifying more functional, performance-related brand aspects and more intangible, image-related aspects. The brand performance aspects are related to the intrinsic properties of the brand, the attributes by which the product or service attempts to meet consumers' more functional needs. Brand imagery deals with the more intangible aspects of the brand, the ways in which the brand attempts to meet psychological or social needs. Psychological needs refer to the feelings or sensations the individual experiences through using the product; social needs involve the relation the individual wishes to express with respect to others. Whan Park, Jaworski, and MacInnis (1986) used the distinction between psychological and social needs to distinguish three types of benefits:

1. A brand with functional benefits is designed to solve consumption-related needs, for instance, solve a current problem, prevent a potential problem, resolve conflict, or restructure a frustrating situation.
2. Experiential needs create a desire for products that provide sensory stimulation, variety, and/or cognitive stimulation. A brand providing experiential benefits is designed to fulfil these hedonic desires. This type of brand was emphasized in Pine and Gilmore's influential publication *The Experience Economy* (1999). Central to this publication is the notion that a brand ought to provide an experience to people by entertaining or engaging customers, and by connecting with them in a personal, memorable way.
3. Symbolic benefits are outer-directed. These benefits enable people to express how they relate to each other: a brand expressing symbolic benefits is designed to associate the individual with a desired group, or role. Consumers may value the prestige, exclusivity, or fashionability of a brand to express a certain status position. Alternatively, a consumer can pursue brands to express group membership, to stimulate social connections, or the consumer may value brands because these brands help him to express that he cares for friends or family.

Whan Park et al. (1986) argue that, although product classes are often assigned to one of these three categories, any brand can be positioned with a functional, symbolic, or experiential image. For instance, cars can be seen as functional, but car brands can also profile experiential benefits ('fun to drive') or symbolic benefits (e.g., the exclusivity or prestige value of the car).

### **Brand values**

Keller (2008, p. 66) explicitly stated that brands can take on values similar to people. These brand values have been considered the primary building blocks of the brand image (Kotler, Kartajaya, & Setiawan, 2010). Brand values have become essential in the profiling of many brands, as was evident from the examples we mentioned in the introduction. But how should we interpret these brand values?

In its traditional sense, marketing focuses on an exchange process: people spend scarce resources (money, time) in exchange for goods (products or services) because of the benefits they expect to receive from these goods. These benefits are related to functional attributes or to image-related characteristics of the product, and can be functional, experiential, or symbolic. As we saw in the previous section, the desirability of these benefits is determined by consumer values (Gutman, 1982): benefits are considered favorable (attractive) or unfavorable, depending on the value priorities of the consumer.

Vargo and Lusch (2004, 2008) argued that a shift in marketing logic is emerging, from the exchange of tangible resources toward what they call the service-dominant logic. In this logic, products or services do not supply any value, only a value proposition. Within this logic, the vision on the brand was further developed in the brand value co-creation model (Merz, He, & Vargo, 2009). Central to this model is the idea that a brand constitutes a collaborative, value co-creation activity involving the firm and its stakeholders. For instance, Gillette is not relevant to the consumer because it is a supplier of razor blades: the razor blade in itself does not create a smooth skin. Gillette is relevant because the brand promises a smooth skin: the razor blade enables the user to create a smooth skin by shaving himself. In doing so, it replaces the direct service provided by a barber. Consequently, value is created because of the interaction between the consumer and the product. Only by using the razor blade, the customer 'co-creates' the value (smooth skin) proposed by the firm. Therefore, a firm cannot deliver value, but only offer value propositions. It is up to the consumer to use the good in order to create something that is valuable to him.

In the example, Gillette, as the supplier of razor blades, promises the potential of a smooth skin to the consumer. This proposed value can be of importance to the consumer, for instance, if he believes that a smooth skin makes him more attractive, or gives him the professional looks needed for his professional life. If impressing others by attractive or professional looks are important values for the consumer, then the proposed smooth skin is relevant. This relevance motivates the consumer to buy the razor blades, and subsequently to use them to co-create the desired value: the attractive, smooth-skinned appearance. Hence, the values proposed by Gillette (attractive appearance, professional looks) are relevant to the consumer if they match the values he considers important in his life.

The example illustrates the importance of a match between the values proposed by the brand and the values central to the consumer. Consumers can be expected to look for brands that embody the values they consider relevant. Hence, a brand can be described in terms of the values it promises:

*Brand values form the perceived value proposition of the brand. They represent the values that are promised by the brand.*

Values were defined previously as guiding principles, motivating people to make choices in order to achieve desirable goals. Brand values then represent the perceived contribution of the brand in achieving these goals: the consumer is motivated to buy or use a brand if he believes that its brand values are in line with the goals he wishes to achieve.

### **The brand value profile**

Schwartz (1992) demonstrated that values are related to each other, and that they can be systematically organized in a value system. A value system is a psychological structure, referring to the organization of the values that people use to judge or motivate their behavior. Brands, however, do not qualify as living beings. They are inanimate, and, obviously, do not exhibit any kind of value-motivated behavior. But then, why does it make sense to consider brand values? And even if it makes sense, is it possible that brand values can be organized into a meaningful value system?

We already showed that brands propose values, which can be 'released' when the consumer uses the brand, as was illustrated with the example of the razor blade. Research has also shown that consumers perceive brands in human terms. They attribute human characteristics or human goals to brands based on their observations of and experiences with the brand over time (Aaker, 1997; Aggarwal & McGill, 2007). The personification of brands can become so strong that people engage in a relationship with brands, wherein they perceive the brand as a viable relationship partner (Aaker, Fournier, & Brasel, 2004; Fournier, 1998). Personification can be illustrated with examples such as the description of the brand Absolut Vodka: "*A cool, hip, contemporary 25-year old*" (Aaker, 1997, p. 347).

If consumers attribute human characteristics or human goals to brands, then we can also expect them to perceive human values in brands. The attribution of human values to other entities was illustrated by Rohan (2000). She argued that individuals hold perceptions of the value systems of others, based on their judgments of others, and that these value systems are expected to be organized in a structure similar to their own value system. She highlighted that the others can be other individuals, but that also groups can be described in terms of the values they endorse or promote. Groups were broadly defined by Rohan; they comprise "*clubs, religious congregations, corporations, societies, cultures*" (p. 265). Although she didn't include brands in this description, the examples she gave suggest that the definition of group can be extended to brands as well. This implies that brands can be described in terms of their value system. An example of how brands can be perceived as a group is the brand community. A brand community is a specialized community based on a structured set of social relationships among admirers of a brand (Muniz & O'Guinn, 2001). In a brand community, for instance, the Facebook community of Harley Davidson, the brand can be considered a platform embodying the values shared by the members of the community.

Concluding, we expect consumers to hold perceptions of the brand value system, and perceive it along similar lines as their own value system. Hence, we expect this brand value system, the perceived value proposition of the brand, to be structured like the consumer's value system.

*Proposition 3:*

*The structure of the brand value system, the perceived value proposition of the brand, is similar to the structure of the consumer's value system.*

Recently, a number of marketing studies attempted to conceptualize brand values. In a qualitative study on shared values in brand communities of Australian extreme sports subcultures, the involvement with the subculture was assessed by examining the degree to which brands reflect certain core values of individuals (Quester, Beverland, & Farrelly, 2006). Another study assessed the taste perception of individuals (Allen, Gupta, & Monnier, 2008). One's impression of the tastiness of a food or a beverage could be an objective assessment: the chemical properties of the product stimulates taste receptors in the mouth, resulting in taste perception. This study showed, however, that people experienced a better taste and aroma, and developed a more favorable attitude and behavior intention, when the values symbolized by the product corresponded with their own value priorities. A study by Limon, Kahle, and Orth (2009) demonstrated that consumers derived brand values from the packaging of the brand. This study showed that purchase intentions were based on these inferred brand values. Alsem, Wieringa, and Hendriks (2007) demonstrated that newspaper subscriptions in the Netherlands are related to a match between the values of the subscriber and the values profiled by the newspaper. In services marketing, a couple of studies used the values associated with mobile phone services (Lages & Fernandes, 2005), or financial services and clothes stores (Zhang & Bloemer, 2008, 2011) to assess the relationship between the consumer and a brand.

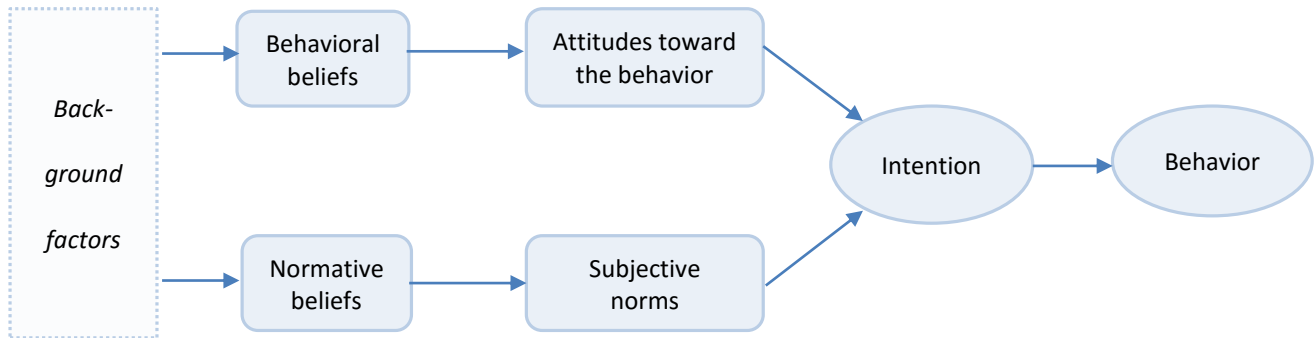
The previously mentioned study of Torelli et al. (2012) gave an empirical confirmation of Proposition 3. This study showed that brand values follow the same structure of compatible and conflicting values as was derived by Schwartz for the human value system. In their study, Torelli et al. grouped a number of brands according to the two dimensions of Schwartz's value system. For instance, Gucci and BMW were profiled as brands with a self-enhancement concept. Torelli et al. showed that values are useful in predicting which brand meanings can be added to an already existing brand structure, for instance, adding a slogan with self-enhancement aspects such as status and prestige strengthens a brand with a self-enhancement concept. The study also demonstrated that a match between brand concept and personal value orientation made people like the brand more. For instance, an individual higher in self-enhancement values will have a higher liking for a brand with a self-enhancement concept such as BMW or Gucci.

Some of the studies mentioned above point out that the presence of brand values influences the perception of the brand, and thus the attitude toward the brand, or that they influence the purchase intention. The relation between brand values, brand attitude, and brand behavior, is addressed in the next section. But, before turning to this section, we would like to point out that the studies mentioned here used unmodified versions of Schwartz's value system (Allen, Gupta, & Monnier, 2008; Torelli et al., 2012; Zhang & Bloemer, 2008, 2011) or the List of Values (Lages & Fernandes, 2005; Limon, Kahle, & Orth, 2009) to conceptualize brand values. In Section 2.5, however, we argued that, for the analysis of consumer behavior, it is preferable to use a value system activated toward consumer choice. And Proposition 3 concludes that brand values are also perceived according to the structure of this value system.

## **2.7 The relation between brand values and consumer behavior**

Several marketing studies link characteristics of a brand (e.g., its hedonic or utilitarian aspects), the overall evaluation of the brand (through indicators of attitude or attitude-related concepts), and the resulting behavior or behavioral intention. Examples of these studies include Brakus, Schmitt, and Zarantonello (2009), Carroll and Ahuvia (2006), Chaudhuri and Holbrook (2001), Dick and Basu (1994), Edson Escalas and Bettmann (2005), Grundlach, Achrol and Mentzer (1995), Kressmann et al. (2006), McAlexander, Schouten, and Koenig (2002), Sprott, Sandor, and Spangenberg (2009), Thomson, MacInnis, and Whan Park (2005), Yoo and Donthu (2001), and Zhang and Bloemer (2008).

The conceptualizations used in these studies often follow a mechanism resembling the attitude-behavior relationship as described in the reasoned action approach (Ajzen, 1991; Ajzen & Fishbein, 2005; Fishbein & Ajzen, 1975). Therefore, we briefly describe the reasoned action approach below. Figure 2.4 presents a schematic representation of this approach.



**Figure 2.4.** Theory of reasoned action.

In the theory of reasoned action, the intention to engage in a certain behavior is determined by the overall evaluation (*attitude*) toward the behavior. This attitude depends on the expectations about the outcomes of the behavior (*behavioral beliefs*), which vary from person to person, and from situation to situation, as a result of a wide range of *background factors*, including individual (e.g., personality, mood, personal value priorities, age), social (e.g., education, culture), or informational (e.g., knowledge, influence through media) aspects. *Subjective norms*, resulting from *normative beliefs*, influence the extent to which the overall attitude translates into an intention: perceived social or societal approval (or disapproval) exerts pressure to engage in (or refrain from) the behavior.

The following example illustrates this theory for a consumer choice context. An individual needs to travel to his job. He considers himself environmentally responsible, but lack of public transport implies that he needs to have a car (background factors). He believes, partly due to media exposure and a visit to the showroom, that driving a Toyota Prius would fulfil his needs (behavioral beliefs): The Toyota Prius is a safe, functionally styled hybrid car with a relatively low level of gas consumption. Therefore, he develops a positive attitude toward buying a Toyota Prius, resulting in an intention to buy the car. This intention is positively influenced by the approval of his wife and his friends, but also by the importance of environmental-conscious behavior in our society (subjective norms).

Buying intention serves as a proxy to real behavior. In the example, the translation of intention into actual behavior depends on constraints such as the availability of the desired car or the availability of the necessary budget. It is beyond the scope of many studies to measure the actual behavior of individuals. The intention to engage in a certain behavior then is frequently used as a proxy for real behavior, under the assumption that this behavior can be predicted with reasonable accuracy from the intention (Ajzen & Fishbein, 2005). Despite the existence of a wide variety of interfering external factors, the assumed intention-behavior relation is supported by empirical evidence. A meta-analysis of a large number of studies shows an average correlation of 0.53 between intention and behavior (Sheeran, 2002).

Marketing studies that try to explain behavior often focus on the relationship between the customer and the brand. The operationalization of this relationship follows a mechanism similar to the one specified in the theory of reasoned action: a stronger relation with the

brand implies a more favorable attitude toward the brand, resulting in a more positive (re)purchase intention. In Chaudhuri and Holbrook (2001), for instance, favorable brand attitude results in a certain level of commitment of the consumer toward the brand. The behavioral intention –the intention to purchase or use the brand– is a consequence of this commitment. Other studies focusing on the attitude-behavior relationship include Bandyopadhyay and Martell (2007), Carroll and Ahuvia (2006), Kressman et al. (2006), and Thomson, MacInnis, and Whan Park (2005). The attitudinal and behavioral component of the customer–brand relationship are discussed in the following overview.

### **Brand attachment: indicator for the attitude toward the brand**

The relation between the consumer and a brand is reflected by the level of commitment of the consumer toward a brand. Brand commitment has been defined as the enduring desire to maintain a valued relationship with a brand (Chaudhuri & Holbrook, 2001), or an attachment to the goals and values of the brand (Grundlach, Achrol & Mentzer, 1995). Attachment reflects an affective bond between a person and a specific object (Bowlby, 1979). The stronger one's attachment to an object, the more likely one is to maintain proximity to the object. Emotional attachment is used here as indicator for the relationship toward the brand: people can develop a relationship with a brand if they feel attached to the brand (Thomson, MacInnis, & Whan Park, 2005) A stronger attachment results in a higher purchase intention, which in turn increases the chances that the actual purchase takes place. Thomson et al. (2005) showed that brand attachment consists of three dimensions: affection, passion, and connection. A stronger attachment is associated with stronger feelings of connection, affection, and passion. These dimensions have received frequent attention in recent literature, and are discussed below.

#### *Brand affect*

Brand affect reflects the warm feelings a consumer has toward a brand (Thomson et al., 2005), and has been shown to be an important predictor of brand loyalty (Chaudhuri & Holbrook, 2001). The affect toward an object (e.g., brand) can be measured by a unidimensional attitude scale reflecting the overall like or dislike to the object (Wilkie & Pessemier, 1973). Interpreting brand affect in terms of *like* or *dislike* parallels the use of these words in Facebook and other social media. Facebook, for instance, created the possibility of expressing the overall evaluation toward an object, organization, or person, by clicking the like-button.

#### *Brand passion or brand love*

Brand love is defined as the degree of passionate emotional attachment that a satisfied consumer has for a particular brand (Carroll & Ahuvia, 2006). Brand love is a more intense emotional response than brand affect, involving an integration of the brand into the consumer's sense of identity. Carroll and Ahuvia demonstrated that brand love is positively related to both purchase intention and positive word-of-mouth.

#### *Brand connection*

Consumers sometimes create strong connections between themselves and a brand. Brands can be used to create and reinforce the consumer's identity (Belk, 1988; Richins, 1994). They can also serve a social purpose: individuals can present themselves to others through their brand choices (Edson Escalas & Bettman, 2005). The following two constructs express the connection between the self and the brand:

- Brand community: The relation between the brand, the individual, and other users or buyers of the brand
- Brand engagement: The relation between the brand and the individual

A brand community has been defined as "a specialized, non-geographically bound community, based on a structured set of social relationships among admirers of a brand" (Muniz & O'Guinn, 2001, p. 412). A community is made up of its member entities and the relationships among them (McAlexander, Schouten, & Koenig, 2002). The first and most important element of a community is consciousness of kind: members of a brand

community feel an important connection to the brand, but also a strong connection toward other users of the brand (Muniz & O'Guinn, 2001). Through communities, members share essential resources that may be cognitive, emotional, or material in nature. An example is Lugnet, the global community of Lego User Groups ([www.lugnet.com](http://www.lugnet.com), 2012). In these user groups, Lego enthusiasts share ideas or experiences, exchange Lego toys, or share their passion for the brand. McAlexander et al. (2002) recognized that, with the rise of mass media, communities are no longer bound by geographic restrictions. The rising importance of social media increases the importance of (virtual) communities. This emphasizes the importance of inclusion of brand community in the brand attachment construct.

Brands can do more than creating a connection with others; they also have the potential to become an integrated part of one's identity (Edson Escalas & Bettman, 2005). The study of Edson Escalas and Bettman demonstrated that these self-brand connections exist and that they lead to favorable brand attitudes. Self-brand connections have been referred to as brand engagement (Keller, 2003; Sprott, Sandor, & Spangenberg, 2009). Brand engagement is the extent to which individuals include important brands as part of their self-concept. Sprott et al. (2009) demonstrated that brand engagement affects important aspects of brand-related consumer attitudes and behavior.

### **Intention to buy or use the brand**

Brand attachment is expected to increase behavioral intentions toward the brand: a stronger relationship with the brand increases the probability that one is willing to buy the brand, or talk in a positive way about the brand. Indicators of brand behavior include the intention to buy or use the brand, as well as items referring to word-of-mouth (Carroll & Ahuvia, 2006; Kressmann, et al., 2006). Word-of-mouth is mentioned by Dick and Basu (1994) as an important consequence of the consumer-brand relationship. Carroll and Ahuvia (2006) demonstrated that brand love results in a positive word-of-mouth. Since the publication of the article *The one number you need to grow* (Reichheld, 2003), the concept of word-of-mouth has received a lot of managerial attention. Reichheld advocates that the Net Promoter Score is the most important indicator that a manager needs to know to measure customer loyalty. The Net Promoter Score is measured by one question: "*How likely is it that you would recommend our company to a friend or colleague?*"

### **Brand values and brand behavior**

This study focuses on the relevance of values for consumer behavior. Brands can be characterized by their brand values, which were defined as the perceived value proposition of the brand. Framed in the context of the theory of reasoned action, the values proposed by the brand can be considered behavioral beliefs: consumers believe to acquire these values through buying or using the brand. If the values promised by the brand are important to consumers, then we expect them to develop a favorable attitude toward the brand, which in turn motivates them to buy or use the brand. We proposed buying intention and word-of-mouth as proxy to consumer behavior.

Proposition 4 expresses the proposed relation between brand values and the consumer-brand relationship:

#### *Proposition 4:*

*Brand values stimulate the relationship between the consumer and the brand by creating an emotional attachment to the brand. Brand attachment, in turn, results in an intention to buy or use the brand.*

## 2.8 Value congruence stimulates consumer behavior

Following the publication of Rokeach's value system, a couple of articles suggested that values, being deep rooted beliefs, influence consumer behavior through their impact on the evaluation of product attributes (Valette-Florence, 1986; Vinson, Scott, & Lamont, 1977). This can be illustrated with the example of a sturdy SUV such as a Landrover. A person who values excitement, independence, and freedom, will appreciate the four-wheel-drive and sturdy appearance of an SUV. The positive evaluation of these product attributes results in a positive attitude toward SUV's, which in turn will influence choice behavior.

In Section 2.6, Gutman's means-end chain model was introduced. This model comprises two central linkages: the linkage between product attributes and benefits, and the linkage between benefits and values. Benefits are derived in this model from product attributes. They are the desirable consequences consumers wish to enjoy from the products they consume. Consumer values provide these consequences with meaning: benefits are considered more desirable or less desirable (or even undesirable), depending on the value system of the consumer. Consumers choose brands that produce desired consequences and minimize undesired consequences. Since value priorities are ordered by importance (Rokeach, 1973; Schwartz, 2006), values also give importance to benefits. Some benefits have a more central (positive or negative) meaning to the consumer than other benefits. The extent to which certain benefits are important and desired influences the selection of brands.

Two approaches help to understand the influence of values on behavior:

1. An approach derived from expectancy-value theory. According to expectancy-value theory, a choice alternative in a decision situation is evaluated by a number of beliefs one has concerning the outcomes of the alternative.
2. An approach used in marketing literature, based on self-congruence. Self-congruence refers to the match between the consumer's self-concept, and the image of a given product or brand (Sirgy, 1982).

In Section 2.7 we found that brand values stimulate the relationship between the consumer and the brand. In this section, we create a deeper understanding of the mechanism through which values stimulate the consumer-brand relationship, by exploring the expectancy-value approach and the congruence approach.

### Expectancy-value theory and values

Expectancy-value theory explains how attitudes are formed. It stipulates that a choice alternative in a decision situation is characterized by a number of beliefs one has concerning its outcomes (Fishbein & Ajzen, 1975). In a consumer context, for instance, the choice for a certain brand involves beliefs about the benefits that this brand will generate. The attractiveness of the brand then is characterized by the perceived likelihood that each benefit results as an outcome, combined with the perceived attractiveness of the benefit. This results in the following equation (Fishbein & Ajzen, 1975):

*The attractiveness of a choice alternative involving  $n$  salient beliefs is proportional to  $\sum_{i=1}^n (b_i \times e_i)$*

*Where:  $b_i$  = the strength of belief  $i$  (the perceived likelihood of the occurrence of belief  $i$ ),  
 $e_i$  = the evaluation (perceived attractiveness) of belief  $i$ .*

Means-end theory can be considered a variant of the expectancy-value theory (Reynolds & Gutman, 1988). The common premise of both theories is that consumers prefer alternatives believed to contain attributes leading to desired consequences. Means-end



theory, however, specifies the reason that certain consequences are more desirable than others, namely, personal values: as mentioned above, means-end theory stipulates that values provides consequences (benefits) with meaning. In other words, means-end theory specifies that personal values determine the perceived attractiveness of the beliefs about a brand.

As we saw in the previous section, brand values can be considered behavioral beliefs; they represent the likelihood that a certain value actually is 'released' when the consumer uses the brand. The strength of a brand value then is the strength of the belief that this value is embedded in the brand. Not all brand values are equally desirable. As suggested by means-end theory, whether the brand value is considered as more or as less favorable to the consumer will depend on his value system. For instance, a brand such as Disney can be expected to promote family values. A person who values family life (or other family values) will then likely consider Disney a more attractive brand. Concluding, the attractiveness of a brand for a consumer is characterized by the brand values it promises, combined with the perceived attractiveness of each value to the consumer. This leads to the following adaptation of the equation:

*The attractiveness of a brand that proposes  $n$  brand values is proportional to  $\sum_{i=1}^n (b_i \times e_i)$*

*Where:  $b_i$  = the strength of brand value  $i$  (perceived likelihood that the brand represents value  $i$ ),  
 $e_i$  = the perceived attractiveness of value  $i$  to the consumer.*

Expectancy-value theory thus helps us to understand how values have an influence on the choices we make, by influencing the attractiveness of a choice alternative. A number of studies demonstrated a values-behavior relation. Bardi and Schwartz (2003), for instance, revealed substantial correlations between most values and their corresponding behavior. For instance, a person who values achievement is more likely to engage in behavior through which he can achieve something, but less likely to engage in universalist or benevolent behavior such as helping others or protecting the environment. Feather (1995) used scenarios evidently connected to certain values to demonstrate the influence of values on behavior. In one scenario, for instance, he confronted *self-direction* and *stimulation* values with *conformity* values, by presenting respondents with a situation in which a fictitious person during a weekend camp-out has to decide whether to explore a path leading from the camp on his or her own, or to stay in the camp with the group. Feather specified the choices in such a way that values were logically implied by the description of the choice alternative. Feather assumed, for instance, that exploring the path leading away from the camp was related to *self-direction* and *stimulation*. He didn't ask the respondent to what extent he believed that the choice was related to these values.

In case of consumer choice, this approach is feasible where it comes to product categories closely tied to specific values, such as fair trade products or donating to charity. For instance, a study on fair trade consumption showed that this type of consumption is stimulated by universalism values (equality, unity with nature, protecting the environment), whereas power and achievement values correlate negatively with fair trade consumption (Doran, 2009). Other studies related personal values with leisure travel style (Madrigal, 1995), consumption of genetically modified food (Honkanen & Verplanken, 2004), or donating to charity (Maio & Olson, 1995). For most product categories, however, brands have the potential to activate a variety of values, and these brand values can be perceived differently, depending on the individual and the situation. For instance, a beer can represent social values when consumed in a pub with friends, but hedonic enjoyment (a moment for yourself) when consumed on the couch at home. The attractiveness of a brand then depends on the match between the perceived value proposition of the brand, for a certain individual in a certain context, with the value priorities of that individual in that context. This match can be examined with self-congruence theory (Sirgy, 1982). According to this theory, an assessment of the attractiveness of a choice alternative (e.g., a brand) can be made by matching characteristics of the alternative with characteristics of

the individual. In the following overview, self-congruence theory is applied to value priorities.

### **Value congruence**

Possessions can be considered a major contributor to and reflection of our identities: possessions, and thus the products and services we buy, can be regarded as an extended self (Belk, 1988; Fournier, 1998). This implies an interpretation of consumer behavior as a means to create or support the consumer's identity. At least two motivating mechanisms have been identified that cause the need to construct our identity through our brand choices: the need for self-esteem, and the need for self-consistency (Sirgy, 1982). The self-esteem motive refers to the tendency to seek experiences that improve the opinion one has of oneself. The self-consistency motive denotes the tendency for an individual to behave consistently with his own self-perception. These motives lead to choices that support the consumer's personal identity, but they also motivate choices that help the consumer to present himself to others (Edson Escalas & Bettman, 2005).

Choice behavior, therefore, relates to the individual's self-concept: consumer behavior is aimed at obtaining goods that represent the same image (Kressmann, et al., 2006; Sirgy, 1982), the same personality (Aaker, Fournier, & Brasel, 2004), or the same values (Richins, 1994) as we see (or want to see) in ourselves. This has been labelled self-congruence, self-image congruence, or image congruence (Sirgy, 1982; Kressmann et al., 2006): the consumer tries to find a match between his self-image and the image of the brand. Self-congruence implies congruence between the associations that the consumer has with the brand, and the perception that the consumer has of himself (his self-concept).

A number of mathematical models have been developed to express self-congruence (Kressmann, et al., 2006; Sirgy, 1982; Sirgy, Grewal, Mangleburg, Park, Chon, Claiborne, & Berkman, 1997). The basic form of these models is (Sirgy et al., 1997):

$$\text{self-congruence} = \frac{\sum_{i=1}^n |BI_i - SI_i|}{n}$$

*Where: BI<sub>i</sub> = brand image aspect i,  
SI = self-image aspect i,  
n = number of image aspects.*

Several studies propose or document a link between self-congruence and consumer behavior. Examples include the influence of self-congruity on brand loyalty for cars (Kressmann et al., 2006), and the proposed relation between self-congruity and shopping behavior (Sirgy, Grewal, & Mangleburg, 2000). Tourist travel behavior was also found to be influenced by self-congruence (Beerli, Diaz Meneses, & Moreno Gil, 2007; Sirgy & Su, 2000): the greater the agreement between a destination's image and one's self-concept, the greater the tendency for the tourist to visit that place.

The match between the values of the consumer and the perceived brand values is defined here as brand value congruence, or short value congruence. The concept of value congruence appeared in social psychology literature. For instance, a study by Gaunt (2006) showed that greater value congruence between partners leads to higher levels of marital satisfaction. In organizational behavior literature, value congruence studies are used frequently: value congruence between organizational values and employee values, or between supervisor values and employee values, has been demonstrated to yield higher job satisfaction (e.g., Kristof-Brown, Zimmerman, & Johnson, 2005; Meglino, Ravlin, & Adkins, 1989). In marketing literature, so far, the concept of value congruence received little attention. Although the studies mentioned in Section 2.6 (Allen, Gupta, & Monnier, 2008; Alsem, Wieringa, & Hendriks, 2007; Lages & Fernandes, 2005; Limon, Kahle, & Orth, 2009; Quester, Beverland, & Farrelly, 2006; Torelli et al., 2012; Zhang & Bloemer, 2008,

2011) explore the fit between personal values and brand values, only the studies of Alsem et al. (2007) and Zhang and Bloemer (2008, 2011) explicitly refer to value congruence. For clothing stores and banks in the Netherlands, the studies of Zhang and Bloemer reported significant influence of value congruence on the quality of the consumer-brand relationship (affective commitment, trust, and satisfaction) and on purchase intentions. They used Schwartz's value system to assess personal values and brand values. Proposition 2, however, pointed out that value activation is context-specific. For the evaluation of the effect of value congruence on consumer choice, the use of a value system activated toward the consumer choice context is preferred. To our knowledge, attempts to assess the impact of value congruence with a specific brand value system have not yet been reported.

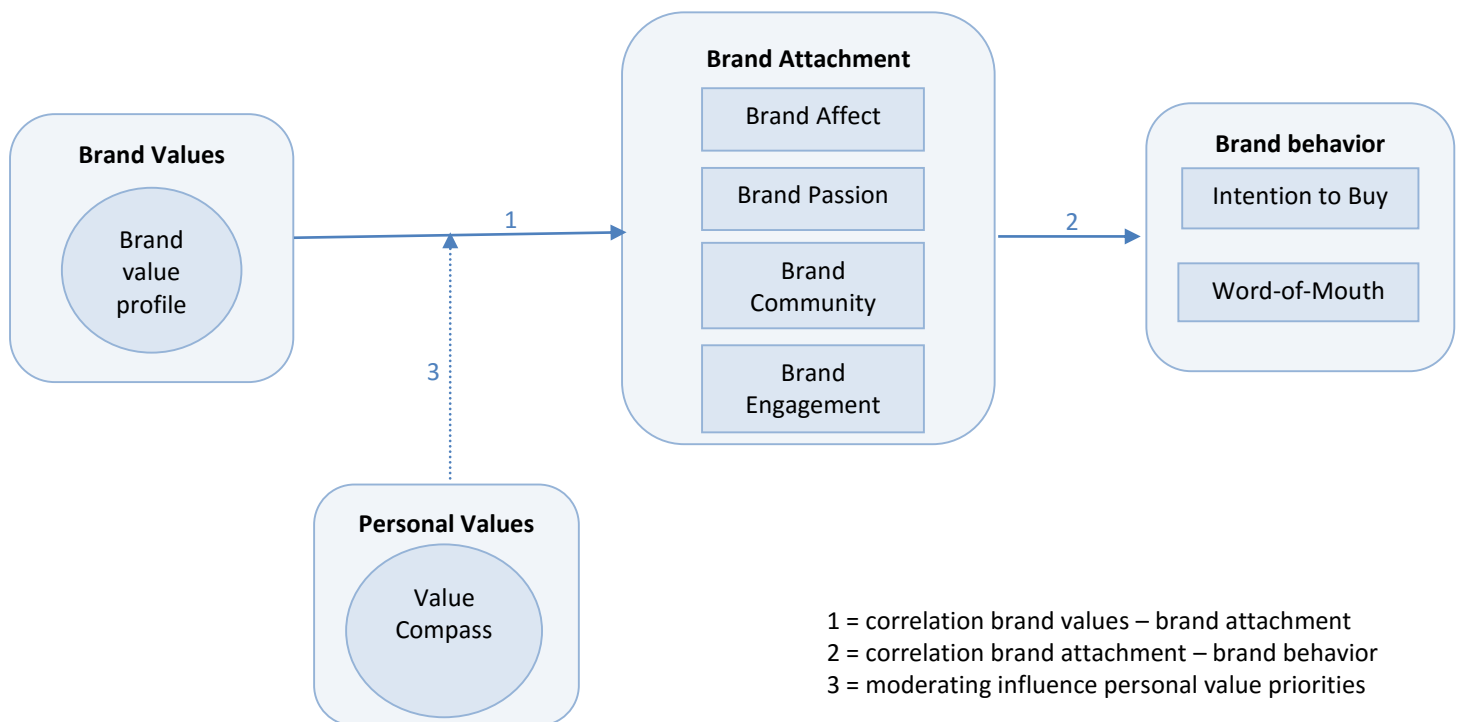
Values play a central role in people's cognitive structure; they motivate people to choose, or to act. We previously showed that brands offer a value proposition (Proposition 3), indicating the consumer how the brand can assist him in achieving his personal goals. According to the congruence principle, this depends on the match between the values proposed by the brand (the brand values) and the values central to the individual. Brands are more relevant to the consumer if there is a better match between the values represented by the brand and the values that are central to the consumer. This leads them to value-congruent choice behavior:

*Proposition 5:*

*Brand attachment is stronger with a stronger match between the consumer's value system and the perceived brand value profile. This value congruence is more relevant when values are more central to the consumer.*

The relations expressed by Proposition 4 and 5 can be graphically represented with the brand value model (BVM) presented in Figure 2.5. The BVM illustrates that, in line with Proposition 4, brand values stimulate the intention to buy or use the brand, or to spread positive word-of-mouth about it. The relation between brand values and buying intentions is mediated by the emotional attachment to the brand: favorable brand values result in a higher brand attachment, which, in turn, results in higher buying intentions. As was described in Section 2.7, four types of indicators can be used to measure brand attachment: brand affect, brand love, brand community, and brand engagement. These indicators are included in Figure 2.5.

According to Proposition 5, the value congruence effect is expected to influence the relation between brand values and brand attachment. This is expressed by the dotted arrow in Figure 2.5.



**Figure 2.5** The brand value model.

Summarizing, the BVM includes a number of causally related constructs. The following four constructs are central to the model:

- Each brand is assumed to have a *brand value profile*. The brand value profile is the perceived value proposition of the brand, the combination of values the consumer expects to be embedded in the brand.
- Each consumer has a *Value Compass* motivating his actions and choices. The Value Compass is the value system that guides him in choosing between brands, or in the other choices he has to make as a consumer.
- *Brand attachment* represents the relation of the consumer with the brand.
- The intention to buy the brand and the intended word-of-mouth are used as indicators for *brand behavior*, the behavioral intention toward the brand.

Three linkages connect these four constructs. Firstly, there is a positive correlation between brand values and brand attachment: brands promising a higher values content are expected to generate a higher brand attachment. Next, a stronger attachment to a brand reflects a stronger perceived relationship with the brand, creating a higher willingness to buy the brand, or to spread positive word-of-mouth, as expressed by linkage 2. Finally, the third linkage symbolizes the effect of value congruence.

## 2.9 Brand values versus brand personality

Values and personality traits are concepts derived from psychology. Values refer to what people consider important; personality traits describe what people are like. Both psychologic concepts have been applied to brands: "*brands may take on personality traits and values similar to those of people*" (Keller, 2008, p. 66). Since the publication of Aaker's

brand personality framework (1997), brand personality has been a dominant brand concept in marketing literature. This section introduces the personality concept, and discusses the similarities and differences between personality and values, and how this influences the way they can be applied in a branding context.

### Values and personality

The dominant approach in personality research is a trait approach, as was expressed in its most basic form by Guilford's definition of personality: personality is "*the individual's unique pattern of traits*" (Guilford, 1959, p. 5). A trait is defined here as "*any distinguishable, relatively enduring way in which one individual differs from others*" (p. 6). The core elements in personality theory include the following aspects (McCrae & Costa, 1996):

1. Basic tendencies
2. Characteristic adaptations
3. Self-concept
4. Objective biography
5. External influences

*Basic tendencies* are the universal raw material of personality, unaffected by the environment. They include genetically determined elements such as physical characteristics (like length or eye colour) or physiological drives (e.g., need for food, need for oxygen, or sexual drive). Personality traits are basic tendencies. *Characteristic adaptations* are acquired skills, habits, beliefs, attitudes, behaviors, and relationships, that result from the interaction between individual and environment. They are the concrete manifestations of the basic tendencies: people react to their environment with thoughts, feelings, and behaviors, that are consistent with their personality traits. Values, according to McCrae and Costa (1996), are considered characteristic adaptations. An individual's *self-concept* refers to the (implicit or explicit) views that an individual has of himself. This self-concept makes up the identity of a person. In marketing, a similar notion is used to describe the identity of a brand: the brand concept is the particular combination of attributes, benefits, and marketing efforts used to translate these benefits into the brand's identity (Whan Park, Jaworski, & MacInnis, 1986). The *objective biography* describes every significant thing a person did during his life. Finally, every person is subject to *external influences*, which help to shape the person. Characteristic adaptations (including values) are subject to these external influences.

There is a broad consensus in literature that personality traits can be classified according to five basic factors (Costa & McCrae, 1992; Goldberg, 1981), which are popularly referred to as the Big Five:

- *Openness*: appreciation for art, emotion, adventure, unusual ideas, imagination, curiosity, and variety of experience.
- *Conscientiousness*: a tendency to show self-discipline, act dutifully, and aim for achievement; planned rather than spontaneous behavior.
- *Extraversion*: energy, positive emotions, surgency, and the tendency to seek stimulation and the company of others.
- *Agreeableness*: a tendency to be compassionate and cooperative rather than suspicious and antagonistic toward others.
- *Neuroticism* (as opposed to *emotional stability*): a tendency to experience unpleasant emotions, such as anger, anxiety, depression, or vulnerability.

The above description demonstrates that both personality traits and values are core elements of personality theory. Nonetheless, conceptual differences between values and personality traits support their separate treatment. People may explain behavior by referring to traits or to values, but they refer to their values when they wish to justify choices or actions as legitimate or worthy in the attainment of a desirable goal: values

serve as standards for judging the behavior of the self and of others. Personality traits, on the other hand, describe a person and his or her capacities and abilities; they do not represent behavioral standards. A brief review of the conceptual differences and relations between personality traits and value priorities is given below. It is based on a comparison of the Five-Factor Model with Schwartz's value theory.

#### *Origins.*

Personality traits are basic tendencies, enduring dispositions arising from genetically or physiologically determined elements. The origins of the personality traits in the Five-Factor Model have been traced to evolutionary adaptation to the environment. Following Turkheimer's (2000) first law of behavior genetics (*All human behavioral traits are heritable*), variation in personality traits express viable evolutionary strategies to deal with the environment (Buss, 1996; Penke, Denissen, & Miller, 2007). Values, on the other hand, have been learned by the individual (Olver & Mooradian, 2003). They reflect the strategies that people adopted to cope with biological needs and social or institutional demands (Schwartz & Bilsky, 1987; Schwartz, 2006). Individual differences in value priorities derive from each person's unique combination of biological endowments, in combination with the demands placed on the individual by his environment.

#### *Content.*

Values refer to what people consider important. They are the guiding principles motivating action to pursue desirable goals. Traits, on the other hand, describe what people are like, rather than the intentions behind their behavior (Roccas, Sagiv, Schwartz, & Knafo, 2002). The same term (e.g., ambition, honesty, efficiency) may refer either to a trait or a value, but the two references have different meanings. People who value a certain goal do not necessarily exhibit the corresponding trait; nor do those who exhibit a trait necessarily value the corresponding goal. For example, the trait *efficiency* refers to the frequency and intensity of efficient actions that an individual exhibits. The value *efficiency* refers to the importance that an individual attributes to being efficient. Not all individuals who consider efficiency as an important value have the ability to be efficient. In addition, people who are highly efficient do not automatically view efficiency as a core value to be pursued as a guiding principle in their lives. They happen to be efficient, but they do not necessarily consider efficiency important.

#### *Structure.*

According to Schwartz's value theory, values are structured as a dynamic system of compatible and conflicting values. As was explained in Section 2.3, this system can be displayed as a circular structure. Values sharing compatible motivational goals correlate positively, and emerge in close proximity in this circular structure. Values expressing conflicting motivational goals correlate less positively, or even negatively, and appear in opposing directions in this structure. The relations between personality traits in the Five-Factor Model, in contrast, are not specified. Personality traits were originally treated as independent factors (e.g., Goldberg, 1992), although some other studies point to interrelations among the factors (e.g., Hofstee, De Raad, & Goldberg, 1992; John, Naumann, & Soto, 2008) or the existence of higher order factors (Digman, 1997).

#### *Comprehensiveness.*

The value system developed by Schwartz, as well as the Five-Factor Model, aim at comprehensive coverage. They do not seek to specify every single value or trait, but they claim to represent all basic factors that organize human traits, or all the guiding principles that motivate human behavior.

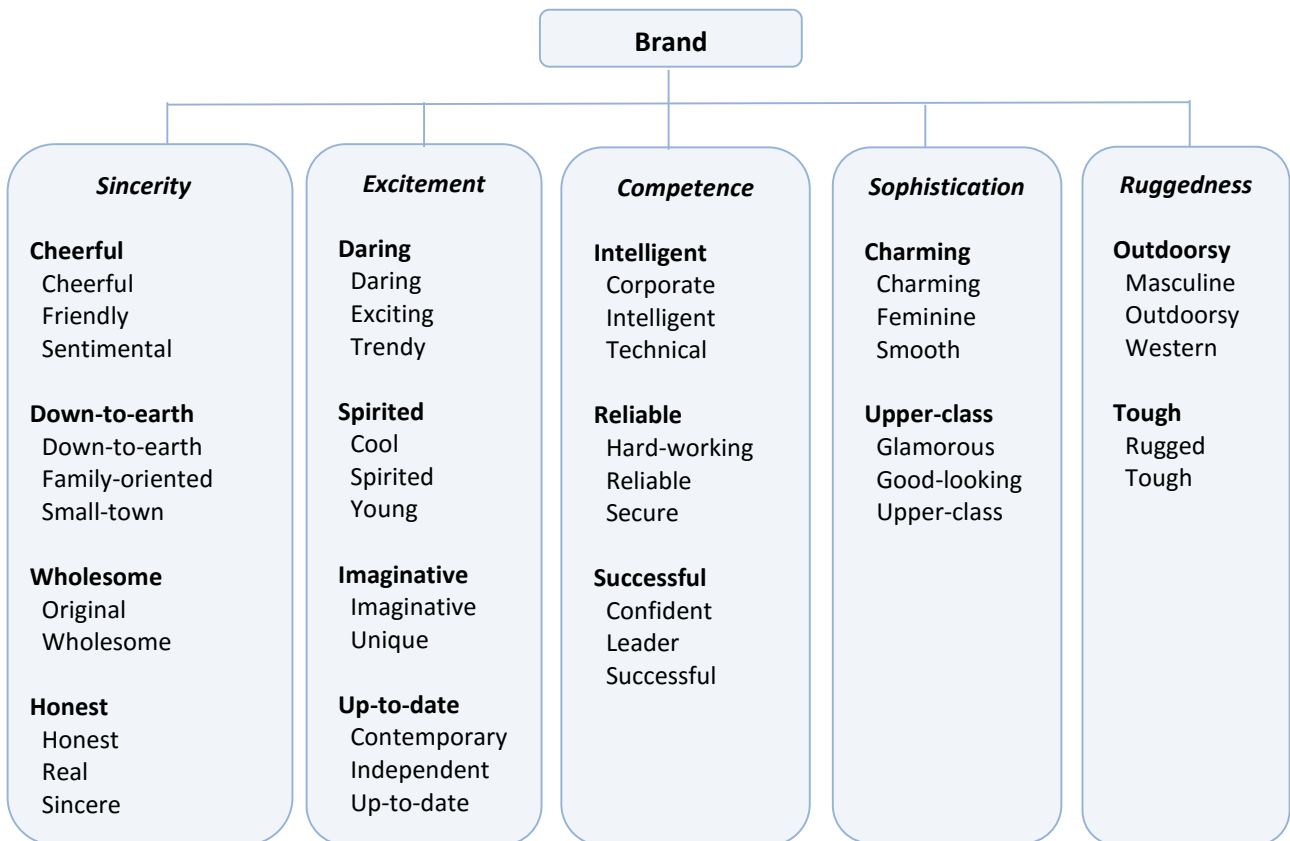
#### *Universality.*

An analysis of McCrae and Costa (1997) demonstrated that the structure of five basic factors of personality can be found in different cultures across the globe. Similarly, research in various cultures found supportive evidence for the cross-cultural validity of Schwartz's value theory (Schwartz, 1994; Schwartz, Melech, Lehmann, Burgess, Harris, Owens,

2001). Hence, the relative stability across cultural contexts is a common element of both psychological constructs (Roccas, Sagiv, Schwartz, & Knafo, 2002).

### Brand values and brand personality

The personality construct has been applied to a branding context. Brand personality refers to the set of human characteristics associated with a brand (Aaker, 1997). Aaker developed a brand personality framework in which she identified five brand personality dimensions. By using an extensive quantitative study, she revealed a brand personality scale consisting of 42 personality traits that can be categorized according to fifteen facets. These facets, in turn, reflect the five dimensions of brand personality (see Figure 2.6).



**Figure 2.6.** Brand personality framework (Aaker, 1997).

Some brands score high on a particular factor. Harley Davidson or Marlboro, for instance, are profiled as typical *ruggedness* brands, while Revlon excels on *sophistication*. Other brands have strengths in more than one aspect.

Human and brand personality share a similar conceptualization, but they differ in terms of how they are formed (Aaker, 1997). Perceptions of human personality traits are inferred on the basis of an individual's behavior, physical characteristics, attitudes and beliefs, and demographic characteristics. In contrast, perceptions of brand personality traits can be formed by any direct or indirect contact of the consumer with the brand.

Human and brand personality share a similar conceptualization (Aaker, 1997), but there is an essential difference. Living human beings have a personality. Even though brand personality refers to the personality of a brand, inanimate objects such as brands can not be expected to have a proper personality, in the same way as that brands can not be expected to cherish certain values. Brand personality, therefore, relates to associations

that people have with the brand. These perceptions of brand personality traits can be formed by any direct or indirect contact of the consumer with the brand.

Since Aaker's publication, the brand personality framework has received sizeable attention in marketing literature. Most recent studies on brand personality are based on Aaker's conceptualization of brand personality. In recent years, however, Aaker's scale has received criticism on several grounds (Austin, Siguaw, & Mattila, 2003; Azoulay & Kapferer, 2003; Geuens, Weijters, & De Wulf, 2009; Torelli et al., 2012). The central focus of the criticism involves the problematic conceptual understanding of the personality construct in branding and the lack of universality of brand personality.

Characteristics of brands can be described by using analogies with human characteristics such as brand personality, brand values, or brand relation. Although the word personality has a very specific meaning in psychology, its use in branding is rather loose (Azoulay & Kapferer, 2003). Aaker defined brand personality as "*the set of human characteristics associated with a brand*" (p. 347). Since inner values, physical traits, relationships, or pictures of the typical user, are also human characteristics that can be associated with a brand, the risk of this more general definition is that empirically distinct brand constructs are included in a single brand personality construct (Azoulay & Kapferer, 2003).

Brand personality shows limited universality. A replication of the study in Japan and Spain showed that only three out of five dimensions apply in both countries. (Aaker, Benet-Martinez, & Garolera, 2001). The ruggedness dimension is replaced in both Japan and Spain by a peacefulness dimension. In Spain, competence is replaced by a passion dimension. Lack of universality stimulated the development of country-specific brand personality instruments (Geuens, Weijters, & De Wulf, 2009).

Concluding, it can be observed that, despite the relevance of values for branding, a systematic value system has not been incorporated into mainstream marketing literature. Instead, due to the general definition of brand personality, this *personality* construct is used occasionally as indicator for *brand values*. Values and personality traits, however, are different concepts, each with their own characteristics. The conceptual differences between the two constructs therefore highlight the importance of investigating the benefits of applying a brand values construct to branding, as compared to the use of brand personality to characterize brands.

*Proposition 6:*

*The brand values concept provides a meaningful alternative to the brand personality concept.*

## **2.10 The value system as universal framework**

One of the objections against the brand personality framework is its limited cross-cultural validity. If we wish to compare the use of brand values with brand personality, we need to take this cross-cultural aspect into consideration. Therefore, we devote attention here to a discussion on values as a human universal.

The question of the universality of psychological functions and processes reflects one of the most debated issues in cross-cultural psychology (Berry, Poortinga, Breugelmans, Chasiotis, & Sam, 2011): to what extent are they common to humankind (universalism), and to what extent are they unique to specific cultural groups (relativism)? This question can also be raised with respect to values. Values were referred to previously, in Section



2.3, as reactions to three universal requirements (Schwartz & Bilsky, 1987): biological needs, social motives and institutional demands. But only our biological drives, being genetically determined, can be considered truly universal. Social and institutional demands are not identical across our planet. Hence, to what extent can we consider values a human universal? Different views are present. Authors like Triandis (1995), Markus and Kitayama (1991), and Hofstede (1980, 2011), emphasize differences between cultures. Some cultures, for instance, view the individual as an independent entity, with a unique configuration of internal attributes (e.g., abilities, traits, or values). Such an environment might cultivate values that emphasize the person's individuality. In more collectivistic cultures, on the other hand, the contextual situation is emphasized, that is, the individual in relation to others. This stimulates the development of values emphasizing the interdependence of individuals. As opposed to the focus on cultural differences, Schwartz and Bilsky (1987), Schwartz (1992, 1994), Schwartz and Sagiv (1995), and more recently Fischer and Schwartz (2011), emphasize the cross-cultural similarities of the human value system.

Before elaborating on a cross-cultural comparison of value priorities, we first devote some attention to the influential study of Hofstede (1980, 2011). The importance of values in cross-cultural psychology was strongly influenced by this study. Hofstede defined culture as the "*collective programming of the mind that distinguishes the members of one group or category of people from others*" (Hofstede & Hofstede, 2005, p. 4) (Hofstede, 2011) thereby emphasizing the cultural differences between societies. Hofstede puts values at the core of culture. He categorizes societies based on five value orientations, to which he refers as dimensions of culture (Hofstede, 2011):

- *Power distance*, the extent to which the less powerful members of institutions and organizations within a society expect and accept that power is distributed unequally.
- *Individualism versus collectivism*, the extent to which a concern for oneself (everybody is expected to look after him- or herself) is valued in society, as opposed to a concern for the collectivity to which one belongs.
- *Masculinity versus femininity*, the extent to which masculine roles (e.g., performance, material success) or feminine roles (e.g., modesty, nurturance) are prevalent in a society.
- *Uncertainty avoidance*, the extent to which the members of a culture feel threatened by ambiguous or unknown situations.
- *Long-term versus short-term orientation*<sup>7</sup>, the extent to which a society values investing in the future versus values emphasizing the here and now.
- *Indulgence versus Restraint*, related to the gratification versus control of basic human desires related to enjoying life.

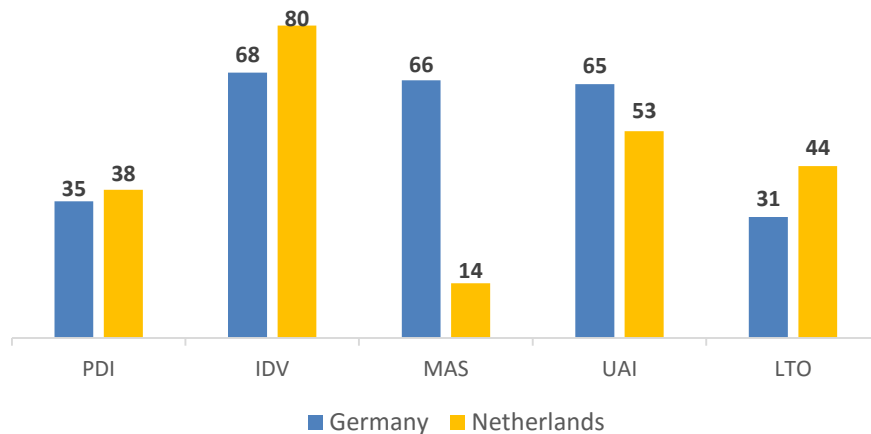
In Hofstede's work, cultures are defined according to national boundaries. Each country is characterized by a score on each of the five dimensions. As an example, Figure 2.7 compares the cultural dimensions for Germany and the Netherlands, two neighboring countries whose value profiles show many similarities. Both countries are individualistic, have low power distance, a moderate uncertainty avoidance (somewhat higher in Germany), and a predominantly short term orientation (the Netherlands somewhat more long-term oriented). There is one striking difference between the two countries: Germany is a masculine country, whereas the Netherlands is strongly feminine. This can result in cultural differences such as a stronger emphasis on career, challenge, and performance in Germany, and a stronger appraisal of leisure time, cooperative decision making, and equality in the Netherlands.

Of all dimensions, individualism-collectivism is the most influential. The difference between individualism and collectivism lies in a primary concern for oneself, in contrast to a concern for the group(s) to which one belongs (Triandis, 1995). As was mentioned previously,

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<sup>7</sup> In his original work, Hofstede identified only the first four dimensions (Hofstede, 1980). The fifth and sixth dimension were added later (Hofstede, 2001, 2011; Hofstede & Hofstede, 2005).

individuality will be fostered in an individualistic culture. Consequences of individualism are, for example, priority of personal goals over group goals, an emphasis on exchange rather than on sharing, and personal attitudes being more important for one's behavior than social norms (Berry et al., 2011).



**Figure 2.7** A comparison of Germany and the Netherlands according to Hofstede's cultural dimensions (Hofstede & Hofstede, 2005): PDI = power distance, IDV = individualism, MAS = masculinity, UAI = uncertainty avoidance, LTO = long term orientation.

The individualism-collectivism dimension, as well as the other dimensions identified by Hofstede, reflect societal values. Societal values are the solutions that different societies developed to regulate the human activities within a culture. This makes Hofstede's study a culture-level analysis. Classifying Germany as a postmodern masculine society says something about the prevailing values of the country; it does not, however, specify the value priorities of each German individual. Individuals and cultures are two different units of analysis (Berry et al., 2011; Breugelmans, 2011; Van de Vijver & Leung, 1997). When cultural values are internalized, they become part of the psychological value structure of an individual (Breugelmans, 2011). This individual value structure is the focus of analysis in Schwartz's value theory. This value theory, therefore, is an individual-level analysis: the value system of compatible and conflicting value types was based on data collected from individuals. Similarly, when referring to the Value Compass, we emphasize the values motivating the behavior of the individual consumer.

Culture-level and individual-level value dimensions are expected to be related (Schwartz, 1994b). Individual members of a society are socialized to internalize values that make them function within and conform to the values of the society of which they are a member. For instance, in a culture where independence and freedom of thought are core values, individuals are taught to express their opinions. The average individual in such a society then can be expected to give a higher priority to independence and freedom values. Despite their interdependence, the culture-level and individual-level value dimensions are statistically independent (Schwartz, 1994b). For the analysis on the individual level, individual scores are used as basis for analysis. On a culture level the country scores are the basis of analysis. An example of how this can lead to a difference between the individual and the cultural level is formed by the value items *humble* and *social power* (Fontaine & Fischer, 2011; Schwartz, 1994b). At the individual level these two items are not, or even negatively, correlated. Individuals who strive for social power typically do not value humility, and vice versa. In Schwartz's value system, these two value items are indicators of two conflicting value types: power and tradition, respectively. At the cultural level, however, the average scores on *social power* and *humble* are positively correlated: in cultures where hierarchy is important, both the importance of an unequal hierarchical

power distribution, and the importance of respecting this power distribution (i.e., being humble) are instilled into their members.

The extent to which the cultural level and the individual level have a similar value structure, is expressed by their level of isomorphism. Even though the example with the value items *humble* and *social power* demonstrates a difference between the two levels, a recent multi-level analysis on data of Schwartz's value survey found a high level of isomorphism between the individual-level and the country-level, and high correlation between the levels (Fischer, Vauclair, Fontaine, & Schwartz, 2010). This implies that differences between individuals and differences between countries on psychological values can be explained in terms of the same concepts or dimensions. This outcome is in line with the observation mentioned previously that the culture-level and individual-level value dimensions are conceptually related.

So far, our discussion demonstrated that value systems create a structure enabling the analysis or comparison of values. Hofstede's cultural dimensions, for instance, describe on a cultural level the structure by which societies can be compared. Although they are used to describe cultural differences, the cultural dimensions themselves are assumed to apply to different cultures. For instance, although some countries are more masculine than others, the concept of masculinity is expected to be relevant in every culture. On the individual level, Schwartz also provided evidence for the universal structure of his value system, by revealing the same value structure for individuals in different countries (Schwartz, 1992, 1994; Schwartz et al., 2001). As with Hofstede's cultural dimensions, universality of the structure of Schwartz's value system does not imply a universal rank ordering of value priorities. Value priorities are context specific: their relative importance in a certain culture depends on the demands placed on the individuals in that culture.

The possibility of differences in value priorities across societies does not imply that value priorities *have to* differ across societies. Cross-cultural comparisons of value priorities in Schwartz's value system showed a high correlation between the value hierarchies in different societies (Fischer & Schwartz, 2011; Schwartz & Bardi, 2001). Schwartz and Bardi referred to this similarity in value priorities as a pan-cultural baseline. They concluded that not only the structure of the value system is cross-culturally similar, but that also the average importance that people give to their values is similar across cultures. Table 2.4 shows the pan-cultural baseline of value priorities, based on a sample taken from 54 countries (Schwartz & Bardi, 2001).

**Table 2.4.** Pan-cultural ordering of value priorities (Schwartz & Bardi, 2001).

<i>Mean ranking</i>	<i>Value type</i>	<i>Mean rating (5-point Likert scale)</i>
1	Benevolence	4.72
2	Self-direction	4.42
3	Universalism	4.42
4	Security	4.38
5	Conformity	4.19
6	Achievement	3.85
7	Hedonism	3.73
8	Stimulation	3.08
9	Tradition	2.85
10	Power	2.35

Concluding, a value system is used as a structure to describe human values across different cultures, but some authors (e.g., Hofstede, 1980, 2011) emphasize cross-cultural differences, whereas others (Fischer & Schwartz, 2011; Schwartz & Bardi, 2001) emphasize cross-cultural similarities in value priority rankings. This conclusion leads us to the last proposition with respect to the Value Compass.

*Proposition 7:*

*Compatibilities and conflicts between consumer values are similar across cultures. There are, however, cultural differences in the importance of consumer values.*

## **2.11 Conclusion**

Values are an important determinant of consumer behavior, which can be illustrated with the widespread managerial use of brand values as descriptors of brand image. Consequently, insight in values, and how they influence behavior, potentially provides a powerful tool in describing and understanding why and how consumers make the choices they make. This potential is increased by the progress made in the psychological field, which created additional understanding of the structure of the human value system, and the mechanism through which this value system influences behavior. Marketing science, however, has not yet taken fully advantage of the progress that was made in the understanding of the values concept.

For optimal application in the marketing domain, it is important to appreciate values within the dynamics of marketing. Consumer behavior might activate different values than those relevant from a psychological point of view. So far, however, conceptualizations of values are borrowed from psychology, without adapting them to the marketing context. A specific challenge for marketing theory relates to the existence of brand values. Insight in the relation between brand values and consumer values offers further potential for understanding consumer behavior. It will also help us understand how branding influences this behavior. Additionally, it necessitates comprehension of the structure of the consumer's value system, as well as of the structure of the brand value system.

The purpose of this study is to develop a value system specific to consumer behavior, and to create an understanding of how values motivate the consumer to become attached to brands. This purpose is guided by the following seven propositions:

1. Values are guiding principles. Values motivate people to make choices that improve their quality of life.
2. A consumer choice situation, being a specific choice context, activates a specific (sub)set of values. This set of values is structured as a dynamic value system of compatible and conflicting values.
3. The structure of the brand value system, the perceived value proposition of the brand, is similar to the structure of the consumer's value system.
4. Brand values stimulate the relationship between the consumer and the brand, by creating an emotional attachment to the brand. Brand attachment, in turn, results in an intention to buy or use the brand.
5. Brand attachment is stronger with a stronger match between the individual's value system and the perceived brand value profile. This value congruence is more relevant when values are more central to the individual.
6. The brand values concept provides a meaningful alternative to the brand personality concept.

7. Compatibilities and conflicts between consumer values are similar across cultures. There are, however, cultural differences in the importance of consumer values.

These propositions were derived in the review presented in this chapter, and provide the structure for the development and application of the Value Compass, as presented in the following chapters. The first two propositions guided the development of the Value Compass. The development process is presented in Part II. Part III focuses on the brand value model presented in Figure 2.5. The differences between brand values and brand personality are also investigated in this part. Part III is organized according to Propositions 3 to 6. Finally, the last part of this book investigates Proposition 7, by testing the cross-cultural validity of the Value Compass in a number of different countries.





*Part II.*

*Values & The Consumer*



### **3. Development of the Value Compass**

#### **3.1 Introduction**

In the preceding literature review, the importance of values within the dynamics of marketing was highlighted. We found that, despite the relevance of values for branding, a consumer-oriented value system has not yet been incorporated into mainstream marketing literature. Instead, conceptualizations of values are borrowed from psychology, without adapting them to the marketing context. The general purpose of this research is to create an understanding of how values motivate consumer behavior. This was phrased in the introductory chapter as follows:

*The development of a value system that can be universally applied to assess the effect of brand values and personal values on consumer choice*

Part II is devoted to the development of this value system. It contains two chapters. Chapter 3 discusses the development process. Chapter 4 presents the outcomes: the description of the Value Compass and the value types of which it is composed. The following questions will be addressed in Part II:

- Which values are activated to guide a consumer in evaluating brands, and in making choices between brands?
- To what extent can these values be organized into a meaningful value system?
- In which way is this value system, and the values it contains, compatible with existing value typologies?
- In which way is this value system, and the values it contains, different from existing value typologies?

In answering these questions, we follow the conclusions put forth by the propositions in the previous chapter. Proposition 1 and 2 specifically apply to the issues addressed by these questions.

***Values are guiding principles. Values motivate people to make choices that improve their quality of life (Proposition 1).***

Proposition 1 specifies that values are used to evaluate and guide choice. These choices are implicit for both Rokeach and Schwartz. Rokeach (1973) asked people to arrange values "*in order of importance to YOU, as guiding principle in YOUR life*" (p. 27). Schwartz (1992) used a similar formulation. He asked his respondents to rate each value "*as a guiding principle in MY life*" (p. 17). The reference to values as guiding principle in life implies that values guide choice behavior, in any kind of setting that an individual encounters in life. Within marketing, the focus is on a specific type of choice: the choices that consumers make in order to satisfy their needs. Branding, for instance, involves an effort to influence consumers in such a way that they prefer or choose the brand under consideration. Consequently, a prerequisite of successful branding is knowledge of the consumer decision making process. According to Proposition 1, consumer behavior, like any other behavior, is guided by values. Hence, successful branding necessitates insight in the value structure of the consumer.

***A consumer choice situation, being a specific choice context, activates a specific (sub)set of values. This set of values is structured as a dynamic value system of compatible and conflicting values (Proposition 2).***

The literature review in the previous chapter described the historic development of the value concept. In that overview, we could see that Schwartz's value theory (1992) emerged as the leading contemporary view on values. Schwartz conceptualized values as guiding principles in an individual's life. The review also highlighted that values only affect behavior if they are activated by the situation or the information a person is confronted with

(Verplanken & Holland, 2002). For instance, the value *family life* has the potential of influencing a purchase decision concerning furniture, but only if the buyer believes there is a relation between the type and style of furniture and the quality of his family life. Hence, to evaluate the role that values play for consumer behavior, it makes sense to use a set of values that is activated toward this behavior. As specified above, the Value Compass is developed with this purpose in mind.

This chapter is devoted to the development of the Value Compass, the value system that describes the values that motivate consumer choice. The consumer values in this value system were selected from the comprehensive set of values developed by De Raad and Van Oudenhoven (2008). They used the lexical approach<sup>8</sup> to create a list of value-relevant terms, which they asserted to represent a complete overview of value-related items in the Dutch language. When creating this overview, they used a computerized database of the Dutch language. This database was primarily built on Van Dale's Comprehensive Dictionary of Contemporary Dutch (Pijnenburg & Sterkenburg, 1984), containing 130,778 words. For tracking down and identifying all value descriptors from this lexicon, De Raad and Van Oudenhoven (2008) used a broad definition of values: a value was defined as "*a relatively enduring characteristic of individuals that reflects what is important to them and that guides them in their behaviors and their decisions*" (p. 86). By using this definition, the list of 130,778 words was reduced in a number of stages, until a list of 671 potential value items resulted. To avoid omission of relevant value descriptors, De Raad and Van Oudenhoven included the value items from the Rokeach Value Survey and the value items from the Schwartz Value Survey in their list of 671 value items. The values of the Value Compass were selected out of this list. The selection process and the subsequent development of the Value Compass were executed by using a stepwise approach, involving the following stages.

1. Value activation: selection of values with relevance for consumer choice.
2. Reduction of this set of consumer values to a more manageable set of items.
3. Identification of interrelations between consumer values.
4. Visual representation of these interrelations.
5. Organization of consumer values into value types.
6. Assessment of the value types of the Value Compass.
7. Assessment of the overall structure of the Value Compass.

Each stage of the development process is detailed in Section 3.2. Section 3.3 summarizes the outcomes.

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<sup>8</sup> The lexical hypothesis postulates that those individual differences that are most salient and socially relevant in people's lives will eventually become encoded into their language. The more important such a difference, the more likely it becomes expressed as a single word (John, Angleitner, & Ostendorf, 2006). For instance, by using the lexical approach, Allport and Odbert (1936) developed a list of nearly 18,000 personality trait items based on a review of all entries of Webster's New International Dictionary. The trait list of this influential study served as input for the personality trait inventory of Costa and McCrae (1992), and, as mentioned in Section 2.2, for Rokeach's value survey (1973).

### **3.2 The development of the Value Compass**

#### **Stage 1. Activation of values to a brand choice context**

The Value Compass focuses on value items applicable to consumer behavior. Not all values are expected to have the same relevance for consumer behavior. For instance, it is easily imaginable that '*elegantie*' (*elegance*), one of the 671 value items of De Raad and Van Oudenhoven (2008), is relevant for consumer behavior, when choosing which dress to wear, or when buying interior design products. But this set of 671 value items also contains values such as '*zelfbehoud*' (*self-preservation*) or '*geletterdheid*' (*literacy*), values that might have more limited relevance in guiding consumer behavior. Therefore, the applicability of each of the 671 value items of De Raad and Van Oudenhoven for a branding context had to be evaluated.

A jury of 25 people scrutinized each of the 671 value descriptors on their applicability in a branding context. The jury consisted of people from different age categories and socio-cultural backgrounds, and contained an equal proportion of males and females. Since the list of 671 value items was provided in Dutch, all members were fluent in the Dutch language. The jury judged each value item with respect to its potential relevance for a brand choice context: based on personal judgment, the jury members had to mark each value item with a 'yes' (i.e., the value is applicable for consumer behavior) or a 'no' (the value is not applicable for consumer behavior). Appendix I provides the complete list of the 671 value items, including the results of the jury judgment.

To avoid the removal of potentially useful value items, the initial selection criterion was not very stringent. Values were retained if 40% or more of the jury members, that is at least ten jury members, was able to attribute the value to a brand. The selection process resulted in a list with 190 value items which were approved by ten or more jury members.

The Value Compass intends to be an instrument that can be applied internationally. Therefore, it is important to have the list of value descriptors available in the English language. Since the original list of De Raad and Van Oudenhoven (2008) was published in Dutch, the value items were translated into English through a translation – back-translation procedure (Van de Vijver & Leung, 1997). All 190 brand value descriptors approved by the jury were translated into English, then back-translated into Dutch. A comparison was made between the original value item and the back-translated meaning: the original and the back-translated item had to be the same, or to have a considerable overlap in meaning and interpretation. The meaning of the Dutch value descriptors and the translated English meaning were compared with the Oxford Dictionary of English (2005), in combination with synonym systems available on internet. The translation procedure resulted in a list of 190 English brand value descriptors. This list can be found in Appendix II.

#### *Result of Stage 1.*

Jury judgment reduced the list of 671 potential value items into a set of 190 value items that potentially can be applied in a brand choice context.

## Stage 2.

### Reduction of the set of value items: assessment by a student sample

The next phase in the reduction process involved a further assessment of the remaining list of 190 value descriptors. These items were submitted in a survey, in which respondents had to rate the relevance of each value item in a consumer choice context: "How important is this value for you when you have to make a choice between products or services?". Ratings were provided on a 5-point scale ranging from *very unimportant* to *very important*. Text box 3.1 motivates the choice for using ratings in this study, as opposed to ranking the values. The complete survey with the 190 value items is presented in Appendix III.

The database of the Hanze University of Applied Science Groningen was used to randomly select students. The Hanze University is a university in the city of Groningen, a city located in the North of the Netherlands. The selected respondents received an email, followed by two reminders, with a request to fill out the survey online. Respondents could access the online survey by clicking on a link in the email. SurveyMonkey<sup>9</sup> was used to create the online survey, and to collect the responses. Due to the length of the questionnaire, there is the potential of an order effect when rating the 190 value items. Therefore, the sample was randomized: each respondent received a differently ordered list of the 190 value items. The survey was available to a sample of 6,744 students, from February 13<sup>th</sup> until March 1<sup>st</sup>, 2010. A total of 1,821 students (27%) responded. Only the results of respondents filling out more than 50% of the survey were used. This left a total of 740 respondents.

The survey resulted in an importance rating for each of the 190 value descriptors. This rating was used to further reduce the number of value items.

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#### **Text Box 3.1 Ranking versus Rating**

*Treating values in terms of value priorities suggests that values can be rank-ordered by importance: more important values receive a higher priority in a choice setting than less important values. This implies that a ranking procedure can be used to determine value priorities. Ranking was used by Rokeach (1973) and Inglehart (1997). In the studies of Schwartz (1992, 1994), however, a rating procedure is used to determine the importance of values. An important reason for using ratings is that ranking poses practical problems with longer lists of values. For respondents, rating values on a Likert-type rating scale is an easier and less time-consuming task than ranking values in order of importance; it would be a daunting task to rank 190 values in order of importance.*

*A comparison between ranking and rating measures in brand image associations showed that both types of measurement generally create highly correlated results, except when evaluating less important items (Driesener & Romaniuk, 2006). Asking respondents to assign unique rankings created artificial differences between brands in the lower rankings, since ranking forces a choice, even when there is none. Rating, on the other hand, does not force respondents to discriminate among equally important values or to compare directly values they may experience as incomparable. Finally, a rating procedure may also be conceptually closer to actual choice behavior (Schwartz, 1994). Ranking requires respondents to express sharp, definitive preferences between every pair of values. However, the process of weighing and combining value priorities is usually not so precise and self-conscious: people are typically only loosely aware of more subtle differences in priorities.*

*Considering that ranking and rating produce highly correlated results, but taking into account that rating is easier for the respondent and potentially closer to actual choice behavior, we preferred to ask the respondents to rate the importance of values.*

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<sup>9</sup> SurveyMonkey is a tool that can be used to publish surveys online. This tool can be accessed through [www.surveymonkey.com](http://www.surveymonkey.com)

### *Elimination of unimportant value items*

In the jury assessment in Stage 1, value items were retained when approved by at least 40% of the jury members. But even if potentially applicable, some of the retained value items can still be relatively unimportant for brand-related value judgments. We eliminated unimportant value items by using a combination of criteria:

- In the values approved in Stage 1, a stricter criterion is used for the evaluation of the items: value items approved by less than 50% of the jury members are considered candidates for elimination.
- In the survey, the importance of the value items is measured on a 5-point scale. Value items rating lower than an average of 3.5 are considered less important for a brand choice situation<sup>10</sup>.

Value items were eliminated if they are less important according to both criteria: an average importance rating of lower than 3.5 in the survey AND approved by less than 50% of the jury members. As a result of this elimination procedure 38 value descriptors were removed.

### *Elimination of synonyms*

Of the remaining 162 value items, correlations between items were investigated. Value items showing a strong correlation in the survey are perceived in a more or less similar way by the respondents. As an example, consider *individualism* and *individuality*, two potentially related values out of the list of 162 value items. If these two value items are highly correlated, then we can assume that people do not differentiate between these value items and see both words as being synonyms. As a rule of thumb, we consider word pairs with a correlation coefficient above 0.70 as being highly correlated (Hair, Black, Babin, Anderson, & Tatham, 2006), hence, synonymous. In these word pairs, the item in the word pair with the lowest average importance rating was eliminated.

Three word pairs were found to have a correlation coefficient higher than 0.70:

- *Being environmentally friendly* and *being environmentally conscious*.
- *Individuality* and *individualism*.
- *Self-confidence* and *self-assurance*.

The second item of each of these word pairs has the lowest average importance rating, and was eliminated. A total of 159 brand value descriptors remained.

### *Elimination of ambiguous value items*

Some words have multiple meanings, and in addition words mean different things to different people. For instance, one of the values in the list is *being idealistic about the future*. The word *ideal* has two different connotations<sup>11</sup>. For some people *ideal* refers to something desirable, as in the idealistic goal of bringing an end to poverty in the world. For others, however, this value emphasizes a more negative connotation of having fairytale-like, somewhat unrealistic expectations about the future: idealistic as opposed to realistic.

It is important to remove value items with an unclear, multiple, or otherwise ambiguous meaning. In order to do so, the structure of the item set was investigated by applying principal components analysis (PCA). The primary purpose of this analysis is to examine the underlying structure among a set of value items. With PCA, related value items are grouped in components representing dimensions within the data (Hair et al., 2006). The

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<sup>10</sup> In the Likert scale, a rating of 3 implies a neutral score. A rating of 1 or 2 implies that the value is considered (very) unimportant, a rating of 4 or 5 means (very) important. With a mean rating of 3.5, the criterion is stringent enough to exclude items with a neutral impact on brand choice, but not so stringent that only important items are included.

<sup>11</sup> The Oxford Dictionary of English (2005) lists the following for ideal: 1. satisfying one's conception of what is perfect, most suitable; 2. existing only in the imagination

factor loading of the items specifies the correlation of the item with the dimension in which it is placed. Items have a cross-loading when they have high factor loadings on two or more different dimensions. This implies an unclear dimensionality of the item, hence, an indication of an unclear meaning of the item. A rule-of-thumb specifies that items with a factor loading of at least 0.40 are acceptable, with cross-loadings not higher than 0.30 (Hair et al., 2006). An additional indicator for the quality of an item is its communality. The communality of an item is the variance of the item which is accounted for by all the factors in the analysis. A rule-of-thumb specifies that at least 50% of the variance of each item must be taken into account. This implies that only variables with communalities higher than 0.50 should be included in the analysis (Hair et al., 2006). Table 3.1 specifies the criteria used to analyze the quality of the value items.

**Table 3.1.** *Criteria used for elimination of ambiguous value items.*

<b>Criterion</b>	<b>A value item is candidate for elimination if</b>
<b>Factor loading</b>	Factor loading of the value item is lower than 0.4.
<b>Cross loadings</b>	Highest cross-loading is higher than 0.30.
<b>Communality</b>	Communality of the value item is lower than 0.50.

An unrestricted PCA, with varimax rotation, was executed to assess the value items. Items were eliminated by using a combination of the criteria mentioned above. In order to avoid losing potentially useful items, a conservative elimination approach was used. Value items were rejected if they failed to meet at least two elimination criteria. Elimination criteria were applied more strictly for value items with lower jury approval or with a lower average importance rating. In case of doubt, the item was retained. After eliminating ambiguous value items, a set of 117 value items relevant to brand choice remained.

*Result of Stage 2.*

Assessment of the importance of value items in a survey, in combination with jury assessment, was used in a number of elimination procedures. The set of 190 value items was reduced to a set of 117 value items relevant to brand choice.

### Stage 3.

#### Relations between consumer values: Examination with PCA

So far, a list of value items was produced with relevance for consumer behavior. But, according to Proposition 2, values are more than a list of unrelated items: some values (e.g., *beauty* and *goodlooking*) represent a more similar motivation, whereas other values (e.g., *beauty* and *safety*) seem less related. This implies that values can be organized according to the (dis)similarities in underlying motivations. The objective of this stage in the development of the Value Compass is to explore whether the set of 117 value items can be organized in groups representing similar motivations.

To structure the value items, principal components analyses (PCA) with varimax rotation was used. A number of factor solutions were examined. First, a forced two-factor solution in PCA divided the set of 117 value items in two groups. This forced two-factor solution accounted for 34.7% of the variance in the dataset. The results of the two-factor solution resemble the utilitarian-hedonic dimension central to consumer behavior literature, a dimension that distinguishes between choices motivated by instrumental buying reasons (e.g., the functional or practical aspects of a product), as opposed to behavior driven by hedonic gratification (e.g., pleasure or amusement) or stimulation derived from experiencing a brand (for further information we refer to Section 2.6). The two-factor solution of the Value Compass confirms the importance of this utilitarian-hedonic dimension:

- The first factor of the two-factor solution represents hedonic motivations. It is characterized by a mix of inner-directed experiences (e.g., *fun*, *enjoying life*, *pleasure*), and other-directed sensations (e.g., *friendship*, *caring*, *romance*).
- The second factor is of utilitarian nature. It comprises instrumental values, including values such as *functionality*, *precision*, and *professionalism*. This utilitarian factor also comprises values emphasizing achievement, and values aimed at making a difference with others or obtaining prestige (e.g., *being successful*, *status*, *good-looking*, *power*).

Both factors represent a mix of inner-directed and other-directed values. This distinction corresponds with a division that can be found in marketing literature, the division between inner-directed utilitarian and experiential motivations, and other-directed symbolic motivations (Whan Park et al, 1986). This categorization of motivations was described in Section 2.6.

In a next step, three- and four-factor solutions were computed. The distinction between inner-directed and other-directed motivations was confirmed by these solutions. In the four-factor solution (explained variance 41.9%), besides the utilitarian and hedonic values, the two types of other-directed motivations were distinguished: one factor with values emphasizing the importance of care, friendship, and love, and another factor emphasizing performance and making a difference with others. This latter factor includes values such as *status*, *being successful*, and *power*.

Other-directed motivations involve the relation that the individual wants to have with others. A number of these motives were identified in motivation theory (McClelland, 1987). In motivation theory, there is a distinction between the motivation to achieve or to perform better than others (achievement motive and power motive), and the motivation to establish or maintain a relationship with others (affiliation motive). The distinction between values promoting personal interests and values emphasizing the well-being and interests of others (social outcomes) also corresponds with one of the two dimensions underlying Schwartz's value system, the self-enhancement versus self-transcendence dimension (Schwartz, 1992). The division in self-centered and other-directed motivations can also be found in the individualism-collectivism continuum central to cross-cultural psychology (Hofstede, 1980, 2011; Triandis, 1995).

Summarized, PCA organizes the values of the Value Compass in four factors that show similarities to motivational constructs discussed in literature. The first two factors of the Value Compass resemble **the utilitarian-hedonic continuum** predicted by consumer behavior theory.

- The first factor represents hedonic pleasure (e.g., *fun, enjoying life, pleasure, excitement*). The values in this factor correspond with the hedonic dimension as defined by Batra and Ahtola (1990) and Hirschman and Holbrook (1982), and the experiential motivations from the classification of Whan Park et al. (1986).
- The second factor is of utilitarian nature, and contains values such as *expertise, functionality, and precision*. This factor corresponds with the utilitarian dimension in consumer behavior literature.

The values in the third and fourth factor motivate choice behavior through which the individual can express how he wishes to relate to others. These factors resemble the distinction in social and individual outcomes central to psychology and cross-cultural theory: a motivational continuum reflecting the importance of **the care for others versus the promotion of self-interests**.

- The third factor represents the concern to establish and maintain relationships with others, and to take care of others. It consists of values such as *caring for someone, friendship, intimacy, safety, and harmony*, as well as future-oriented values (e.g., *providing for a better world, being environment-friendly*).
- The fourth factor represents the promotion of personal interests, values concerned with making a difference with others. This factor includes values such as *status, power, and beauty*. It is noteworthy to observe that *beauty* is part of this factor: by making oneself beautiful (e.g., with fashionable clothes), one can express a difference with others.

Within the factor *care for others*, a distinctive group of values emerges related to a feeling of responsibility for the future. It includes values such as *being environment-friendly* and *providing for a better world*. These values promote the importance of a higher future quality of life, and seem to correspond with the cultural dimension long-term orientation (Hofstede, 2011). A PCA with five-factor solution was performed to verify whether these values can be grouped together. The five-factor solution (explained variance 44.4%) indeed revealed future-related value items as a separate factor. Further analyses with additional factors yielded no conclusive results. An overview of the value groups of the Value Compass, and the values characterizing each group, is presented in Table 3.2.

The internal consistency of the five value factors was inspected with Cronbach's alpha, over all items in each factor, and with corrected item-to-total correlations. The lower limit for a reliability test based on Cronbach's alpha is 0.70 (Hair et al., 2006). The five factors show a high reliability coefficient, ranging from 0.83 to 0.95 (Table 3.2), but a note of prudence is necessary. Cronbach's alpha increases with the number of items. In this analysis, the number of value items per factor is relatively high: five items for *care for the future* to 33 items for *care for others*. Consequently, a high Cronbach's alpha can be expected. Additional information is provided by the corrected item-to-total correlations. Correlations vary from 0.380 (*spirituality*) to 0.693 (*status*). With the exception of two items (*craftsmanship* and *spirituality*), item-to-total correlations are higher than 0.40.

The five factors explain 44.4% of the variation in the dataset. This still leave 55.6% of variation unaccounted for. This, in combination with the large number of items in each factor, points toward the necessity of further interpretation of the factor structure. As a first step in this analysis, we will look in Stage 4 at the spatial configuration of items.

#### *Result of Stage 3.*

The values of the Value Compass are organized in a structure consisting of five value groups: *promotion of self-interests, care for others, care for the future, the hedonic value group, and the utilitarian value group*.



**Table 3.2.** The five groups of values of the Value Compass (corrected item-to-total correlation of each item is mentioned between brackets).

Hedonic versus Utilitarian values "Fun ⇔ Function"		Promotion of self-interests versus Care for others "Me ⇔ Us"		
Fun	Function	Promotion of Self-interests	Care for Others	Care for the Future
<i>Hedonic Values</i> ( $\alpha = 0.942$ )	<i>Utilitarian Values</i> ( $\alpha = 0.931$ )	<i>Values aimed at making a difference with others</i> ( $\alpha = 0.899$ )	<i>Affiliation-oriented values</i> ( $\alpha = 0.945$ )	<i>Increasing the future quality of life</i> ( $\alpha = 0.825$ )
adventure (0.538)	accessibility (0.541)	beauty (0.611)	being humane (0.579)	environmental protection (0.692)
ambition (0.531)	accuracy (0.557)	being successful (0.636)	carefulness (0.509)	being environment-friendly (0.671)
being active (0.566)	authenticity (0.456)	cosmopolitan (0.556)	caring (0.667)	improving society (0.445)
being sportive (0.454)	certainty (0.528)	elegance (0.608)	cheerfulness (0.575)	providing for a better world (0.646)
being unique (0.494)	clarity (0.575)	good-looking (0.663)	confidentiality (0.512)	recycling (0.650)
comfortable life (0.479)	common sense (0.494)	high performance (0.512)	cosiness (0.535)	
courage (0.542)	convenience (0.474)	indulgence (0.438)	feeling of security (0.525)	
curiosity (0.500)	cost efficiency (0.479)	leadership (0.528)	femininity (0.485)	
enjoying life (0.649)	craftsmanship (0.391)	masculinity (0.510)	family life (0.537)	
enjoying things (0.623)	creativity (0.448)	perfection (0.536)	friendliness (0.669)	
enjoyment (0.626)	customer orientation (0.567)	power (0.570)	friendship (0.664)	
enthusiasm (0.633)	delivering quality (0.542)	reputation (0.565)	good manners (0.546)	
excitement (0.664)	efficiency (0.590)	sense of beauty (0.653)	harmony (0.659)	
fitness (0.445)	experience (0.532)	status (0.693)	health (0.693)	
flexibility (0.573)	expertise (0.578)	style (0.623)	honesty (0.580)	
fun (0.659)	functionality (0.583)		hospitality (0.609)	
guts (0.563)	innovation (0.584)		hygiene (0.576)	
imagination (0.481)	intellect (0.606)		intimacy (0.603)	
independence(0.571)	knowledge (0.583)		keeping a promise (0.528)	
individuality (0.512)	originality (0.563)		loyalty (0.576)	
inspiration (0.608)	precision (0.604)		nature (0.482)	
optimism (0.616)	professionalism (0.612)		openness (0.552)	
passion (0.609)	progress (0.599)		peace (0.643)	
physical exercise (0.505)	punctuality (0.525)		protection (0.556)	
pleasure (0.637)	reliability (0.586)		respect (0.572)	
quality of life (0.604)	smart solutions (0.600)		romance (0.580)	
self-confidence (0.636)	sustainability (0.541)		sincerity (0.493)	
sense of humor (0.614)	usefulness (0.555)		safety (0.589)	
sensuality (0.617)			solidarity (0.594)	
spontaneity (0.612)			spirituality (0.380)	
to laugh (0.648)			tolerance (0.546)	
varied life (0.590)			trust (0.625)	
vitality (0.652)			truth (0.618)	
wealth (0.486)				
well-being (0.635)				
wisdom (0.513)				

#### **Stage 4.**

#### **The structure of the Value Compass: Creation of a value space with MDS**

Multidimensional scaling (MDS) is a scaling technique that gives a visual representation of relations between items (Borg & Groenen, 2005; Fischer & Fontaine, 2011; Guttman, 1968). Schwartz (1992) used this technique to identify the structure of his value system<sup>12</sup>. In the multidimensional space produced by MDS, the distances between points represent the associations between items. The greater the conceptual similarity between any two items, the closer their locations should be in the multidimensional value space. For instance, consider the values *pleasure* and *enjoying life*. Some respondents might consider *pleasure* an important value. If these respondents also, on average, consider *enjoying life* important, then this is a sign that *pleasure* and *enjoying life* are correlated. These two related value items then appear in close proximity to each other in the value space. Similarities and dissimilarities between value items are derived from the correlations between the importance ratings of the value items in the survey.

An MDS-solution can be interpreted visually by means of a so-called regional interpretation of the multidimensional space (Fischer & Fontaine, 2011; Van de Vijver & Leung, 1997). Similar items, items that belong conceptually together, can be found in the same region in the multidimensional space; values in conceptual opposition to each other (e.g., hedonic values and utilitarian values) are predicted to appear in opposing regions (Schwartz, 1994b). The regions in a value space emerge from a common origin. Partition lines can be drawn to group the value items belonging to the same region (e.g., value group) and to separate the regions from each other. The exact position of each line is a more or less arbitrary decision about where one set of value items ends and another begins.

MDS was used here to graphically represent the value groups uncovered in the previous stage. The 117 value items of the Value Compass were submitted to an MDS procedure similar to the one described by Schwartz (1992). The resulting value space is shown in Figure 3.1. A number of observations can be made. As expected, more similar values are located closer to each other. We can also see that the value items representing a value group occupy a distinct region in the value space. These regions were separated by drawing partition lines.

The value space reflects the structure of motivations predicted by the factor analysis: opposing types of motivations can be found in opposing positions in the value space. The Y-axis corresponds with the distinction between utilitarian and hedonic values. When moving up along the Y-axis, we see that values represent an increasing utilitarian motivation for consumer behavior, and a decreasing hedonic motivation. The X-axis corresponds with the extent to which the consumer wishes to pursue his own interests: *promotion of self-interests versus care for others*. When moving to the right on this horizontal axis, the pursuit of self-interest becomes more important, and the concern for others less important.

In a value space, the presence of empty areas suggests that significant areas of the motivational continuum are missing (Schwartz, 1994). The value space in Figure 3.1 shows no such empty spaces, suggesting that the values of the Value Compass provide comprehensive coverage. On the other hand, we can not discern sharp distinctions between adjacent value groups. Values that belong to different groups but share similar motivational concerns are located close to each other in the value space. For instance, even though *innovation* and *being successful* belong to different value groups, they appear in close proximity. Both value items share an achievement motivation, the need to do something better, although the object of achievement is somewhat different in these two value items.

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<sup>12</sup> Schwartz uses the term SSA (Smallest Space Analysis) whenever he describes his methodology (e.g., 1992, 2006). To connect to formal use of terminology (Borg & Groenen, 2005; Hair et al., 2006), we use the term multidimensional scaling (MDS) to describe this technique.

*Innovation* has a more functional achievement orientation. An individual favors innovative brands because he values progress. *Being successful* refers to a more personal desire to achieve, including an element of comparison with others: "I choose successful brands because I want to show to others that I am successful". Hence, *innovation* belongs to the utilitarian value group, and *being successful* to the self-oriented value group.

The value space illustrates that the Value Compass is organized as a circular structure of adjacent value groups compatible with each other, and opposing value groups conflicting with each other. This structure of compatible and conflicting motivations is similar to the structure of Schwartz's value system described in Chapter 2. Schwartz identified two central dimensions organizing his value system: Openness to change versus Conservatism, and Self-enhancement versus Self-transcendence. The latter dimension bears a substantive similarity with the distinction between *Promotion of self-interests* and *Care for others* in the Value Compass. Self-transcendence resembles *care for others*; it constitutes of values emphasizing the acceptance of others as equals and concern for their welfare. The values motivating the pursuit of self-interest can be partly retraced in Schwartz's value dimension self-enhancement, particularly in his value types achievement and power. The more esthetic aspect in this value group (*beauty, elegance, style*), however, is not represented by any of Schwartz's value types.

The other dimension of the Value Compass, *Fun versus Function*, is absent in Schwartz's value system, even though the hedonic (*Fun*) values in the Value Compass show overlap with Schwartz's value types hedonism and stimulation. The presence of utilitarian values is the most striking difference between the Value Compass (activated toward consumer choice) and Schwartz's value system (applied to life in general). Apparently, utilitarian values are of more limited relevance when assessing life in general, but their importance increases for consumer behavior. Schwartz does include the utilitarian value items capable and intelligent in his value system, but he relates them to the value type achievement, where they emphasize personal success.

Within most of the value groups, we can distinguish considerable variability in meaning between value items. For instance, the items *beauty* and *leadership* have quite a different meaning in everyday life, but in the Value Compass they both belong to the same value group. Another example is formed by the values representing *care for others / care for the future*. This group occupies a large area in the value space. It seems to fall apart in at least three separate dimensions. There is a subgroup with a focus on *safety* and *honesty*, which seems to correspond with the value types security (the safety aspect) and benevolence (the honesty aspect) in Schwartz's value system. Another subgroup emphasizes personal relations, including values such as *friendship, family life, caring for someone*, and *romance*. The third subgroup, focusing on care for the future, already emerged as fifth factor in the PCA. Variability in meaning indicates the potential of further subdivision of value groups. This potential is explored in the following stage of the study.

Finally, we want to point out that *well-being* and *quality of life (QoL)* center around the origin of the value space, implying that these two values are intrinsic to the other values of the Value Compass. This is in line with Proposition 1: *values motivate people to make choices that improve their quality of life*. The value space provides visual support for the proposition that quality of life can be enhanced by pursuing any of the values of the Value Compass.

#### *Result of Stage 4.*

The values in the Value Compass can be placed in a two-dimensional value space. This value space represents a motivational continuum. More similar values are located in closer proximity. The more distant values are positioned in the value space, the more conflicting they are.

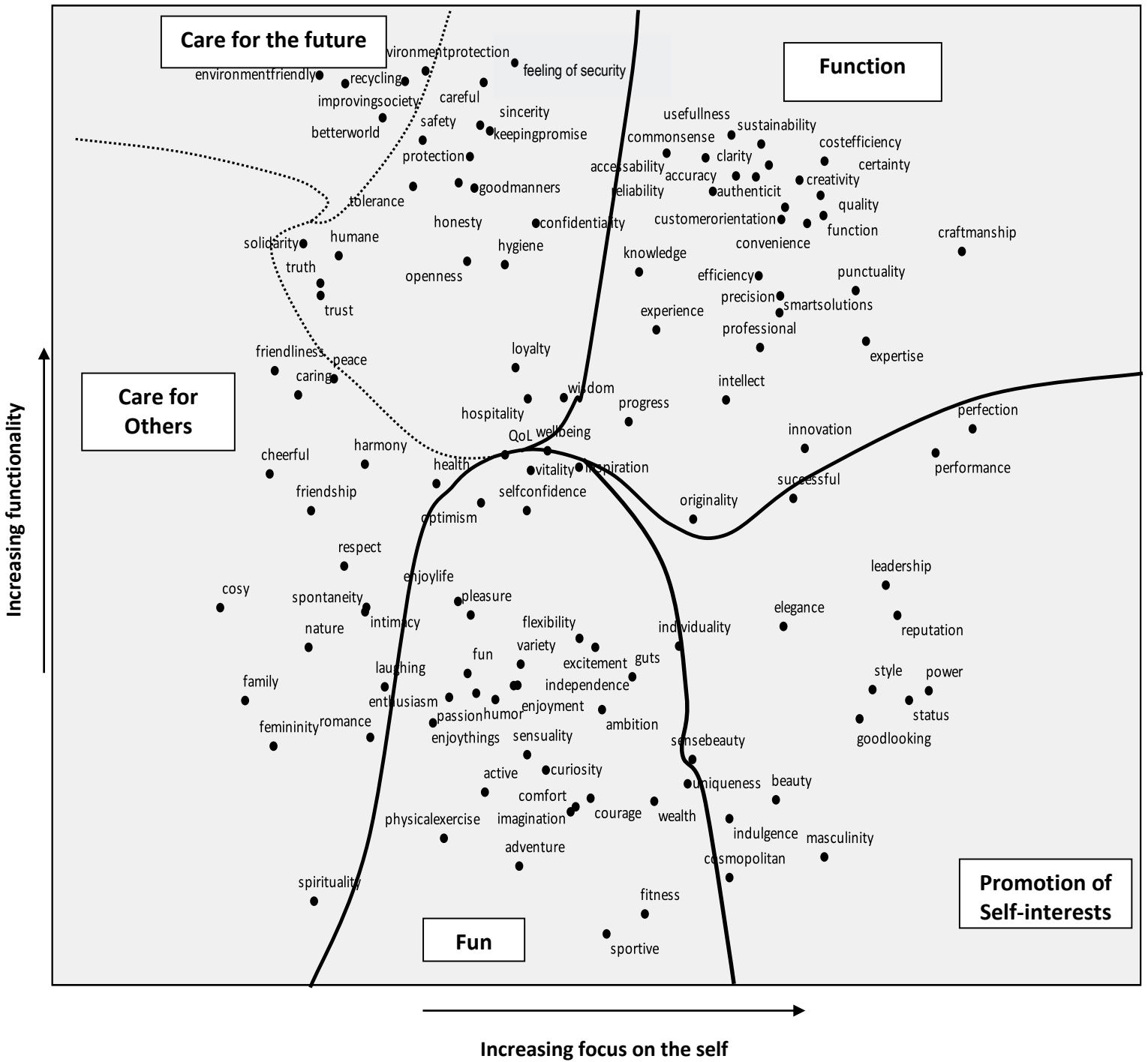


Figure 3.1. The Value Compass: organization of consumer values in a value space.

## Stage 5. Identification of the value types of the Value Compass

The previous analysis showed that the values in the Value Compass can be organized in a circular structure organized along two dimensions: *Fun versus Function* and *Promotion of Self-Interests versus Care for Others*. In this value space, five groups of values were identified, each represented by a number of value items. However, variability in the meaning of items indicates multidimensionality within at least some of these groups. This suggests the existence of separate constructs, separate value types, within these five value groups. The factor analysis performed in Stage 3 confirms this suggestion: the five-factor solution based on which the value groups were formed, explained 44.4% of the variance in the dataset. Hence, 55.6% of variance is still unaccounted for. The purpose of the assessment in Stage 5 is to further analyse the variability in the dataset.

Within each of the five value groups, exploratory analysis with PCA in combination with a visual interpretation of the value space, was used to identify conceptually distinct motivational types. Additionally, we organized a number of focus groups. Each focus group consisted of five to eight respondents. Respondents were randomly chosen out of the employee database of the Hanze University of Applied Sciences Groningen. All items of each of the five groups of values were submitted to these focus groups. Each focus group was asked, independent of the other focus groups, to cluster items into value types representing meaningful consumer choice motivations.

This exploratory assessment, combining statistical analysis and the qualitative focus group assessment, indeed indicated the existence of additional value types. Table 3.3 provides the overview of the value types revealed by the exploratory assessment<sup>13</sup>. Below, we briefly present these value types.

Within the values representing hedonic motivations, two distinct value types were identified. In addition to a cluster of values stressing the importance of *pleasure* and *enjoyment*, another cluster of value items was revealed that motivates *stimulation* or sensation-seeking behavior. The utilitarian value group also hosts two distinct value types. One set of values stresses the importance of *functionality*, choice behavior in which the instrumentality of the preferred choice is more appreciated than its intrinsic (pleasure) value. A related group of values emphasizes *achievement*, a motivation to improve performance. This value type includes values such as *innovation*, *progress*, or *smart solutions*.

The self-centered values stress the importance of making a difference with others. Two clusters of values were distinguished here. Values such as *beauty* or *elegance* motivate to make a difference by appearance. Another set of value items is prestige-oriented, motivating brand choices aimed at showing *success* or *status*. This latter set of values seems closely related to Schwartz's value type power (Schwartz, 1992).

We found the most complex structure in the group of values motivating care for others. Besides the values stressing *social responsibility / care for the future* which were already identified in Stage 3, four additional motivational types were uncovered: *safety*, *honesty*, *care*, and *intimacy*. *Safety* values (e.g., *feeling of security*, *protection*) emphasize the importance of having and providing personal security. The importance of trusting someone's intentions is embodied by values such as *honesty* and *loyalty*. Finally, it is possible to differentiate between values emphasizing caring for and taking care of others

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<sup>13</sup> As explained in Stage 4, *well-being* and *quality of life*, being at the origin of the value space, can not be attributed to any of the value types. Consequently, they are not categorized among any of the value types mentioned in Table 3.3.

(e.g., *family life, friendship, respect*), and values stressing the importance of having an intimate relation (e.g., *romance, sensuality, intimacy*).

Each value type is represented by a number of items, as presented in Table 3.3. We can expect that some value items are more representative for the motivational goal of their value type than others: we already observed that values in a value space represent a motivational continuum in which values spatially located near partition lines might be less typical for their value type than values located in the centre of the regions. The example of the value items *being successful* and *innovation* in the description of Stage 4 provided a good illustration. In the same vein, Schwartz et al. (2001) expected and reported a relatively low internal reliability for the value types in his value system, with Cronbach's alpha measures of the internal consistency ranging from 0.45 to 0.79. A test of the internal consistency of the value types of the Value Compass, however, showed a fairly high internal consistency, by showing alphas between 0.767 (*social responsibility*) and 0.933 (*enjoying life*) (Table 3.3). These results largely surpass the results reported by Schwartz et al. A possible explanation is the difference in scope of both value systems: Schwartz's value system presents motivations for life in general, whereas the Value Compass has the specific focus on consumer behavior.

#### *Selection of marker values: content validity and focus group assessment*

The previous discussion showed that any value type invokes a combination of connotations, expressed by the value items that are used to represent the value type. The meaning of a value type gradually blends with the meaning attached to adjacent value types in the motivational continuum.

To describe each value type, we identified a set of marker values, a manageable set of three to four value items whose meaning best represents the motivational goal of the value type. To accomplish this aim, we assessed the content validity of each value item, the degree of correspondence of the meaning of the item with the meaning attached to the value type it represents. In this assessment, the content validity of each value item was determined by, again, a combination of qualitative and quantitative assessment. In the qualitative assessment, the value items were submitted to the focus groups described previously. Each focus group evaluated, for each value item, the extent to which the meaning of the value item matches with the meaning of its value type. This resulted in a list of value items providing a good match with their value type. Next, out of this list, the focus groups had to define a set of value items providing a well-balanced description of the value type. This subjective evaluation of the focus groups was combined with a statistical assessment of factor loadings. For this assessment, the factor loading of each value item on its value type (i.e., the correlation of the item with its value type) was established with the help of confirmatory factor analysis (CFA, see Text Box 3.2 for additional information). Value items selected by the focus groups, and with a high factor loading, that is, a factor loading of at least 0.50, were assumed to have a high content validity. These values were assigned as marker items. The resulting marker values are printed in bold in Table 3.3.

As an example of this selection procedure, we consider here the value type *enjoying life*. The focus group affirmed that the meaning of this value type is best represented by connotations such as *pleasure, fun, excitement, and joy*. Other value items express a certain aspect of hedonic enjoyment but, according to the focus group, do not clearly convey the meaning of this value type. Examples of these are the value items *being unique, flexibility, or openness*. The analysis of factor loadings confirms the opinion of the focus group: selected items such as *pleasure* (factor loading  $\lambda = 0.68$ ) and *fun* ( $\lambda = 0.70$ ) have higher loadings than *being unique* ( $\lambda = 0.48$ ), *flexibility* ( $\lambda = 0.54$ ), or *openness* ( $\lambda = 0.54$ ).

**Table 3.3.** The value types of the Value Compass, with marker values printed in bold (the internal consistency -Cronbach's  $\alpha$ - of each value type is mentioned within parentheses)<sup>14</sup>.

Care for Others		Care for the Future		
<b>Affiliation-oriented values</b>		<b>Increasing the future quality of life</b>		
<i>Care &amp; affection</i> ( $\alpha = 0.890$ )	<i>Intimacy</i> ( $\alpha = 0.794$ )	<i>Honesty</i> ( $\alpha = 0.872$ )	<i>Safety</i> ( $\alpha = 0.782$ )	<i>Social responsibility</i> ( $\alpha = 0.767$ )
being humane	<b>cosiness</b>	good manners	carefulness	environmental protection
<b>caring for someone</b>	femininity	<b>honesty</b>	confidentiality	<b>being environment-friendly</b>
cheerfulness	<b>intimacy</b>	hospitality	<b>feeling of security</b>	<b>providing for a better world</b>
<b>family life</b>	<b>romance</b>	<b>keeping a promise</b>	hygiene	<b>recycling</b>
friendliness	<b>sensuality</b>	<b>loyalty</b>	<b>protection</b>	improving society
<b>friendship</b>	spirituality	openness	<b>safety</b>	
<b>harmony</b>		sincerity		
health		tolerance		
nature		trust		
peace		truth		
respect				
solidarity				

Fun		Promotion of Self-interests		Function	
<b>Hedonic Values</b>		<b>Values aimed at making a difference with others</b>		<b>Utilitarian Values</b>	
<i>Enjoying Life</i> ( $\alpha = 0.933$ )	<i>Stimulation</i> ( $\alpha = 0.806$ )	<i>Prestige</i> ( $\alpha = 0.816$ )	<i>Beauty</i> ( $\alpha = 0.842$ )	<i>Functionality</i> ( $\alpha = 0.904$ )	<i>Achievement</i> ( $\alpha = 0.814$ )
ambition	<b>adventure</b>	high performance	<b>beauty</b>	accessibility	expertise
being unique	<b>being active</b>	<b>leadership</b>	cosmopolitan	accuracy	<b>innovation</b>
a comfortable life	<b>being sportive</b>	perfection	<b>elegance</b>	authenticity	<b>intellect</b>
curiosity	<b>courage</b>	<b>power</b>	<b>good-looking</b>	certainty	originality
<b>enjoying life</b>	fitness	reputation	masculinity	clarity	professionalism
enjoying things	guts	<b>status</b>	<b>sense of beauty</b>	common sense	<b>progress</b>
enjoyment	individuality	<b>being successful</b>	style	convenience	<b>smart solutions</b>
enthusiasm	physical exercise			cost efficiency	
<b>excitement</b>				craftsmanship	
flexibility				creativity	
<b>fun</b>				customer orientation	
imagination				delivering quality	
independence				<b>efficiency</b>	
indulgence				experience	
inspiration				<b>functionality</b>	
optimism				knowledge	
passion				<b>precision</b>	
<b>pleasure</b>				punctuality	
self-confidence				<b>reliability</b>	
sense of humor				sustainability	
spontaneity				usefulness	
to laugh					
varied life					
vitality					
wealth					
wisdom					

<sup>14</sup> The assessment indicated that the value types *sensuality* and *indulgence* tend to belong to another value group (attention for others and fun respectively), as compared to the results of the PCA analysis in Stage 3. In Table 3.3., the switch of these two items to another value group has been taken into account.

Table 3.4 illustrates the results for this value type. The left column shows the value items with a good match with the value type *enjoying life*; the right column displays the values that do not clearly convey its meaning. The values items selected by the focus group as best representing the value type are printed in bold in the left column. The focus groups selected five value items: *enjoying life*, *excitement*, *fun*, *passion*, and *pleasure*. Out of these five items, the value item *passion* has the lowest factor loading. This value item was therefore not qualified as marker value. This left four marker values for the value type: *enjoying life*, *excitement*, *fun*, and *pleasure*.

**Table 3.4.** Example of the selection of marker values: value type *enjoying life*.

<b>Value item, Good match</b>	<b>Factor loading (<math>\lambda</math>)</b>	<b>Value item, Partial match</b>	<b>Factor loading (<math>\lambda</math>)</b>
<b><i>enjoying life</i></b>	<b>0.74</b>	<i>ambition</i>	0.48
<i>enjoying things</i>	0.70	<i>being unique</i>	0.48
<i>enjoyment</i>	0.67	<i>curiosity</i>	0.51
<i>enthusiasm</i>	0.65	<i>flexibility</i>	0.54
<b><i>excitement</i></b>	<b>0.64</b>	<i>imagination</i>	0.43
<b><i>fun</i></b>	<b>0.70</b>	<i>openness</i>	0.54
<i>independence</i>	0.55	<i>self-confidence</i>	0.64
<i>inspiration</i>	0.60	<i>sense of humor</i>	0.62
<i>optimism</i>	0.62	<i>spontaneity</i>	0.63
<b><i>passion</i></b>	<b>0.59</b>	<i>varied life</i>	0.59
<b><i>pleasure</i></b>	<b>0.68</b>	<i>wisdom</i>	0.50
<i>to laugh</i>	0.70		
<i>vitality</i>	0.59		

#### Result of Stage 5.

Exploratory analysis of the Value Compass identified eleven value types: *care and affection for close others*, *intimacy*, *safety*, *honesty*, *social responsibility*, *enjoying life*, *stimulation*, *prestige*, *beauty*, *functionality*, and *achievement*. Each value type is represented by three to four marker values.

#### Text Box 3.2 Confirmatory Factor Analysis

*Confirmatory Factor Analysis (CFA) is a statistical technique through which a hypothesized model can be validated by comparing the theoretical structure of the model with the observed structure in the actual data (Fischer & Fontaine, 2011; Hair et al., 2006). CFA is theory-driven: the researcher has to specify in advance which factors exist within an existing set of items, and which items are used as indicators for which factor. The statistics in CFA then show how well the specified factors match the actual data. Hence, it is a technique). CFA is used, for instance, in cross-cultural research to test structural equivalence of models across cultures. In a cross-cultural study, Schwartz and Boehnke (2004) confirmed the structure of the Schwartz Value System with a CFA approach. CFA can be executed with statistical software such as AMOS and LISREL.*

*A model (e.g., the Value Compass) in CFA consists of a number of interrelated constructs (e.g., value types). Each construct is represented by a number of items (e.g., value items); these items are measured empirically (e.g., submitted in a survey to a group of respondents). CFA produces two types of indicators (Hair et al., 2006):*

- 1 Evidence of construct validity provides confidence that items (e.g., value items) used in a test actually represent a construct (e.g., value type) in the model.*
- 2 Indicators of goodness-of-fit assess the structure of the hypothesized model. In technical terms, goodness-of-fit indicators show how well a specified model (e.g., a value system) reproduces the covariance matrix of the indicator items.*



### **Construct validity**

Construct validity is the extent to which a set of measured items (e.g., value items) reflect the construct (e.g., the value type) those items are designed to measure (Hair et al., 2006). Construct validity can be assessed by examining convergent and discriminant validity.

The **convergent validity** indicates the degree of shared variance of the items representing a construct. Items which are used for a specific construct should share a high proportion of variance with this construct. The following indicators are relevant:

- **Factor loading ( $\lambda$ ):** An item should have a high loading on the construct it represents. A rule of thumb is that  $\lambda \geq 0.5$ , ideally  $\lambda \geq 0.7$ , represents high factor loading. This indicator corresponds with the item-to-total correlation used in exploratory techniques.
- **Construct reliability (CR):** the internal consistency of the value type. Cronbach's alpha is a commonly applied reliability measure. A slightly different indicator, frequently used in combination with CFA, is construct reliability (CR). CR takes into account the error variance associated with each item ( $\delta$ ). It is calculated by:

$$CR = \frac{(\sum_{i=1}^n \lambda_i)^2}{(\sum_{i=1}^n \lambda_i)^2 + \sum_{i=1}^n \delta_i}$$

A CR of 0.7 or higher suggests good reliability.

The **discriminant validity** is the extent to which the constructs in a model are distinct from each other. The discriminant validity between two value types can be calculated as:

$$\text{Discriminant validity}_{\text{of construct 1 compared with construct 2}} = \frac{\text{variance extracted}_{\text{construct 1}}}{\text{squared correlation coefficient}_{\text{construct 1 and 2}}}$$

The variance extracted (VE) by a construct is the average percentage of variance extracted by the construct from the set of items representing the construct. It is calculated as the total of all squared standardized factor loadings divided by the number of items:  $= \frac{\sum_{i=1}^n \lambda_i^2}{n}$ .

A value type shows discriminant validity if  $\frac{\text{Variance extracted}}{\text{squared correlation coefficient}} > 1$  (Hair et al., 2006).

### **Goodness-of-fit**

With goodness-of-fit (GOF) measures a theoretical model can be compared to reality, as represented by the data. The closer the model is to the actual data, the better the fit of the model. GOF is assessed by a combination of fit indicators (Hair et al., 2006). The following indicators are frequently used:

- The fundamental measure of fit is **chi-square ( $X^2$ )**. A small (insignificant)  $X^2$  value indicates a good match between the theoretical structure and the observed results, hence, a good fit. This would be the case with higher p-values (larger than 0.05)<sup>15</sup>. Unfortunately, the  $X^2$  value is also influenced by the sample size and the number of variables. Consequently, especially with a large sample size or a large number of variables,  $X^2$  is not a reliable indicator.
- **Comparative Fit Index (CFI)** is an index assessing to what extent the model fits better as compared to a model assuming no correlation between the constructs. CFI ranges between 0

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<sup>15</sup> Generally, in cross-tabulations, researchers are looking for a significant  $X^2$  ( $p < 0.05$ ), indicating a significant difference between variables. In CFA, however, the researcher is looking for a confirmation that there is *no* (significant) difference between the observed and the theoretical structure. In other words, the researcher is looking for an insignificant  $X^2$  ( $p > 0.05$ )

and 1. In models with larger sample size (sample size higher than 250), a CFI  $\geq 0.92$  indicates a good fit, and a CFI  $\leq 0.90$  is an indication of a poor fit.

- **Root Mean Square Error of Approximation (RMSEA)** assesses the residual covariance: it gives an indication of the amount of variability in the actual data not explained by the model. An RMSEA  $\leq 0.08$  is an indication of a good fit, RMSEA  $\geq 0.10$  indicates a poor fit.
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## Stage 6.

### Assessment of the value types of the Value Compass in a second survey round

In the previous sections, the value types of the Value Compass were identified by using exploratory techniques. The uncovered value types appeared to represent distinct motivations.

In addition to this exploratory analysis, we felt the importance to corroborate these results with confirmatory evidence. To collect this evidence, we used the results of a second survey. This additional survey was submitted to a new sample of students of the Hanze University of Applied Sciences Groningen. The design of this test was similar to the study described in Stage 2. Similar to this previous study, the respondents had to rate the relevance of each value item in a branding context on a 5-point Likert scale. Only this time, they focused on the marker items of the value types of the Value Compass: the respondents had to assess the (randomized) set of the 41 marker values derived in the previous stage. These marker items were administered through an online survey to a student sample of 1,468 students. Respondents received an email, with a request to fill out the survey. The survey could be accessed by clicking on the link in the email. The survey was available from March 22<sup>nd</sup> until April 6<sup>th</sup>, 2010. A total of 318 students filled out the value list in this questionnaire. Since the list of values was a lot shorter than the list administered in the survey described in Stage 2, virtually all respondents who started the survey also completed the survey.

The results of this second survey were used to confirm the structure of the Value Compass as was uncovered in the earlier stages. In the analysis of the second dataset, the value items were forced into the value type structure proposed by the exploratory analysis in Stage 5 (see Table 3.3). The content of these 'forced' value types then was validated through an analysis of their construct validity, performed with confirmatory factor analysis (CFA). Construct validity of a value type is the extent to which the value items actually reflect the value type they are supposed to measure. It can be assessed by examining the factor loadings of the value items on their value type (convergent validity) and of the divergence of the value type with other value types (discriminant validity; see Text Box 3.2). In the test of discriminant validity, we focused on those value types that are most closely related, that is, on neighboring value types. If it can be demonstrated that the most related value types are distinct from each other, then certainly the less compatible value types also show discriminant validity.

Table 3.5 presents the outcomes. Results confirm the existence of the value types as revealed in the previous stages, with the marker values representing these value types. All value types show acceptable internal consistencies, presenting evidence of their convergent validity. Most value types are also clearly distinct from neighboring value types in the Value Compass. Two pairs of value types, however, are less evidently differentiated from each other, showing discriminant validity smaller than 1.0. The two functional value types *achievement* and *functionality* intermix to some extent. A similar observation can be made for *intimacy* and *care & affection*.

**Table 3.5.** The construct validity of the value types in the Value Compass.

Value type	Marker values	Convergent validity		Discriminant validity with adjacent value types
		$\alpha$	CR	
<b>Enjoying life</b>	Enjoying life, excitement, fun, pleasure	0.775	0.776	With Stimulation: 2.51 With Affection: 1.19
<b>Stimulation</b>	Adventure, being active, being sportive, courage	0.748	0.754	With Enjoying life: 2.35 With Beauty: 8.65
<b>Beauty</b>	Beauty, elegance, good-looking, sense of beauty	0.853	0.848	With Stimulation: 11.65 With Prestige: 2.14
<b>Prestige</b>	Being successful, leadership, power, status	0.769	0.786	With Beauty: 1.78 With Achievement: 1.86
<b>Achievement</b>	Innovation, intellect, progress, smart solutions	0.720	0.726	With Prestige: 1.52 With Functionality: 0.96
<b>Functionality</b>	Efficiency, functionality, precision, reliability	0.676	0.678	With Achievement: 0.88 With Safety: 1.36
<b>Safety</b>	Feeling of security, protection, safety	0.817	0.825	With Functionality: 2.32 With Honesty: 2.05
<b>Honesty</b>	Honesty, keeping a promise, loyalty	0.803	0.810	With Safety: 1.96 With Affection: 1.76
<b>Social responsibility</b>	Environment-friendly, providing for a better world, recycling	0.859	0.860	With Honesty: 4.21 With Affection: 1.72
<b>Care &amp; affection</b>	Caring for someone, family life, friendship, harmony	0.755	0.754	With Honesty: 1.30 With Intimacy: 0.94
<b>Intimacy</b>	Cosiness, intimacy, romance, sensuality	0.767	0.767	With Affection: 0.98 With Enjoying life: 1.33

*Result of Stage 6.*

The test of construct validity confirms the existence of nine to eleven value types, which are clearly distinct from each other. Each of these value types can be represented by three to four marker values. Table 3.6 presents an overview of these value types and their marker values.

**Table 3.6.** Value Compass: the value types and their marker values.

<b>Care &amp; affection</b>	<b>Intimacy</b>	<b>Honesty</b>	<b>Safety</b>	<b>Social responsibility</b>	
caring for someone	cosiness	honesty	feeling of security	being environment-friendly	
family life	intimacy	keeping a promise	protection	providing for a better world	
friendship	romance	loyalty	safety	recycling	
harmony	sensuality				

<b>Enjoying Life</b>	<b>Stimulation</b>	<b>Prestige</b>	<b>Beauty</b>	<b>Functionality</b>	<b>Achievement</b>
enjoying life	adventure	leadership	beauty	efficiency	innovation
excitement	being active	power	elegance	functionality	intellect
fun	being sportive	status	good-looking	precision	progress
pleasure	courage	being successful	sense of beauty	reliability	smart solutions

**Stage 7.**  
**Confirmation of the structure of the Value Compass:**  
**Goodness-of-fit test with CFA**

Stage 6 confirms the existence of nine to eleven consumer value types, each represented by the marker values listed in Table 3.6. Construct validity of the separate value types, however, does not imply that these value types, and the interrelations between these value types, form a good representation of the circumplex structure of the Value Compass. The purpose of stage 7 is to validate whether the structure of the Value Compass can actually be represented by these value types. CFA provides a number of statistics that can be used to examine this goodness-of-fit (see Text Box 3.2).

Four models were tested. The first model is the Value Compass with the eleven value types. The value types *intimacy* and *care & affection* are combined in the second model. In the third model, the value types *achievement* and *functionality* are combined (and *intimacy* and *care & affection* are treated separately). Finally, in the fourth model, both combinations are used (hence, assuming nine value types). The test results are presented in Table 3.7.

**Table 3.7.** Validity of the structure of the Value Compass.

Model	Hypothesis	$\chi^2$	Df	RMSEA	CFI	Decision <sup>1)</sup>
A	Value Compass consists of 11 factors	1709.2	724	0.067	0.948	
B	Value Compass consists of 10 factors ( <i>intimacy</i> and <i>care &amp; affection</i> combined)	1787.4	734	0.069	0.945	
C	Value Compass consists of 10 factors ( <i>achievement</i> and <i>functionality</i> combined)	1753.8	743	0.068	0.946	
D	Value Compass consists of 9 factors ( <i>achievement</i> and <i>functionality</i> together, <i>intimacy</i> and <i>care &amp; affection</i> together)	1922.9	743	0.073	0.938	
-	Model A has a better fit than model B	$\Delta \chi^2 = 78.2$	$\Delta df = 10$	$\chi^2_{critical} = 18.31$		Supported
-	Model A has a better fit than model C	$\Delta \chi^2 = 44.6$	$\Delta df = 10$	$\chi^2_{critical} = 18.31$		Supported
-	Model A has a better fit than model D	$\Delta \chi^2 = 213.7$	$\Delta df = 19$	$\chi^2_{critical} = 30.14$		Supported

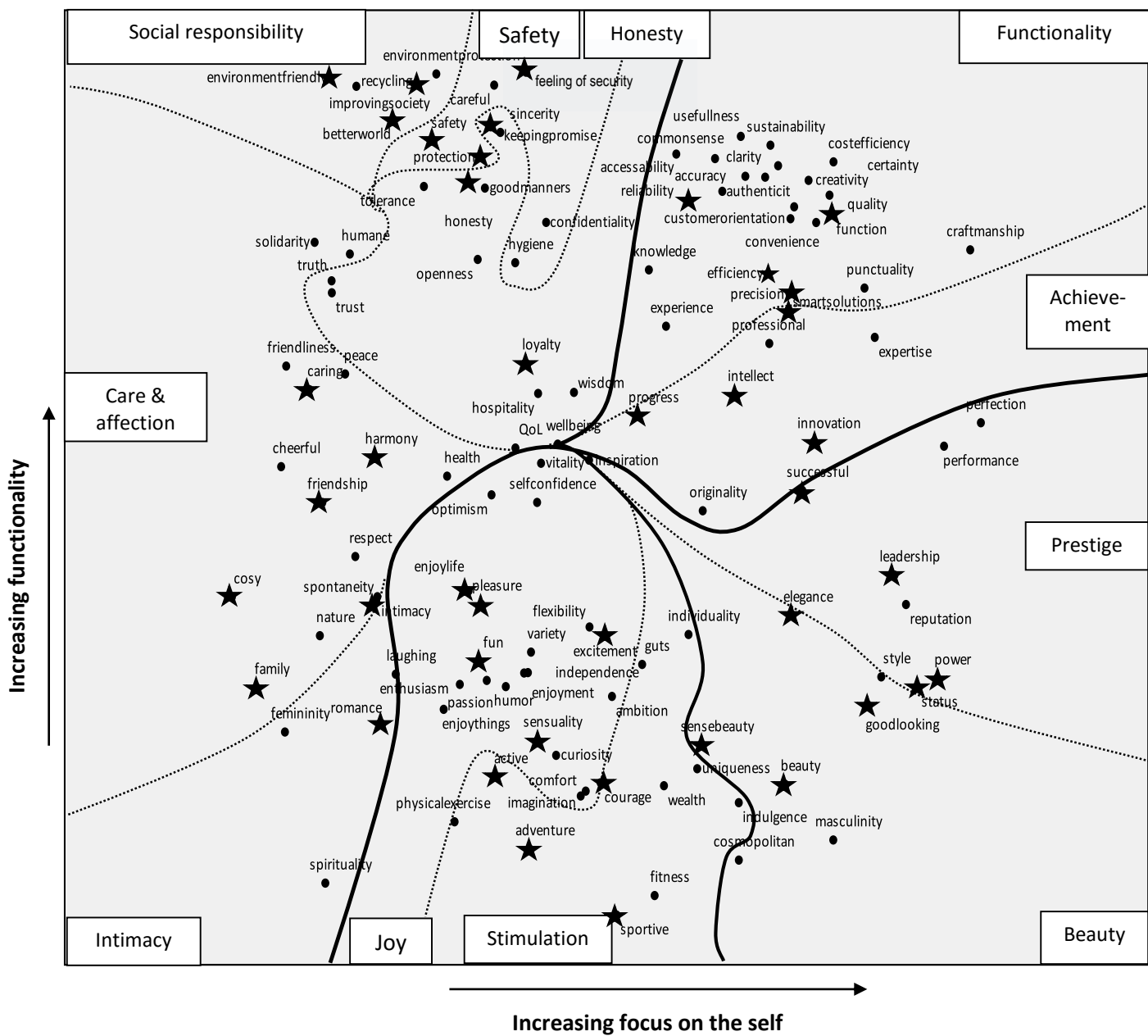
<sup>1)</sup> A model has good fit with  $RMSEA \leq 0.08$ , and  $CFI \geq 0.92$ . Consequently, the models A, B, C, and D all are acceptable models. A model has a significant better fit than a comparable model if the decrease in  $\chi^2$  is bigger than the critical  $\chi^2$ , taking the decrease in degrees of freedom into account ( $p=0.05$ )

The results of the goodness-of-fit test confirm the structure of the Value Compass. The values that guide consumer behavior can be organized in a model consisting of the eleven value types revealed in the previous stages. Even though all models provide adequate fit (based on the criteria  $RMSEA \leq 0.08$  and  $CFI \geq 0.92$ ), a model with eleven value types provides a better fit than a model with nine or ten value types.

With the confirmation of the value type structure, these value types can be added to the visual representation of the Value Compass. Figure 3.2 presents the Value Compass. This figure presents the exact same value space as in Figure 3.1, but with marker values and partition lines added.

*Result of Stage 7.*

The Value Compass consists of eleven interrelated value types. These value types are interrelated in the form of a circular value system organized along two dimensions. This system can be presented visually in the form of a value space.



**Figure 3.2.** Visual representation of the value types of the Value Compass (marker values are marked with ★) <sup>16</sup>.

<sup>16</sup> The value space presented here is a two-dimensional representation of the eleven-dimensional structure of the Value Compass (if we consider each value type to be a separate dimension). By compressing eleven dimensions into two dimensions, some items appear in a different location than can be expected according to the structure of the Value Compass. Specifically, the demarcation between *honesty* and *safety* appears rather complex, emphasizing the interrelated nature of these two value types. *Cosiness*, marker value for the value type *intimacy*, appears in this representation in the *care & affection* cluster, and the position of *sensuality* between the value items of *enjoying life* seems to illustrate the pleasure aspect of *intimacy*.

### **3.3 Conclusion**

Consumer behavior is motivated by values. These values are more than a list of unrelated items. In this chapter, we demonstrated that consumer behavior is motivated by a specific set of values, and that these values are interrelated: some values represent more similar motivations, whereas other values are less related.

This chapter presented the development of the Value Compass, the value system representing the values that motivate consumer behavior. First, from a comprehensive list of all value items in the Dutch language, composed in earlier research by De Raad and Van Oudenhoven (2008), a jury selected those value items that are relevant for consumer behavior. Subsequently, in a step-by-step development process involving a number of survey rounds, these selected value items were used to uncover the structure of the Value Compass. With the help of exploratory and confirmatory factor analyses, related value items were grouped into value types, each representing a distinct motivation for consumer behavior. In total, the Value Compass was found to comprise eleven value types. By using multidimensional scaling, it was demonstrated that these value types, and the consumer values they represent, can be organized according to a circular structure that can be visualized in the form of a value space. In this value space, values with more similar motivational goals can be found in close proximity, whereas values representing more dissimilar or conflicting motivations have a more distant position from each other. The value types in the value space were found to be organized along two dimensions, resembling value orientations found in psychology and benefit dimensions found in marketing literature. The first dimension, representing values motivating the pursuit of self-interest as opposed to values motivating to care for and give attention to others, resembles the dimension self-enhancement versus self-transcendence in Schwartz's value system (Schwartz, 1992). The second dimension distinguishes between hedonic (pleasure-oriented) values and utilitarian (functionality-oriented) values, a distinction central to consumer behavior.

In this chapter, we revealed the values that consumers use when they evaluate brands or make other consumer choice decisions, and we demonstrated how these values are related to each other. Each of these value types will be more extensively described in the next chapter.

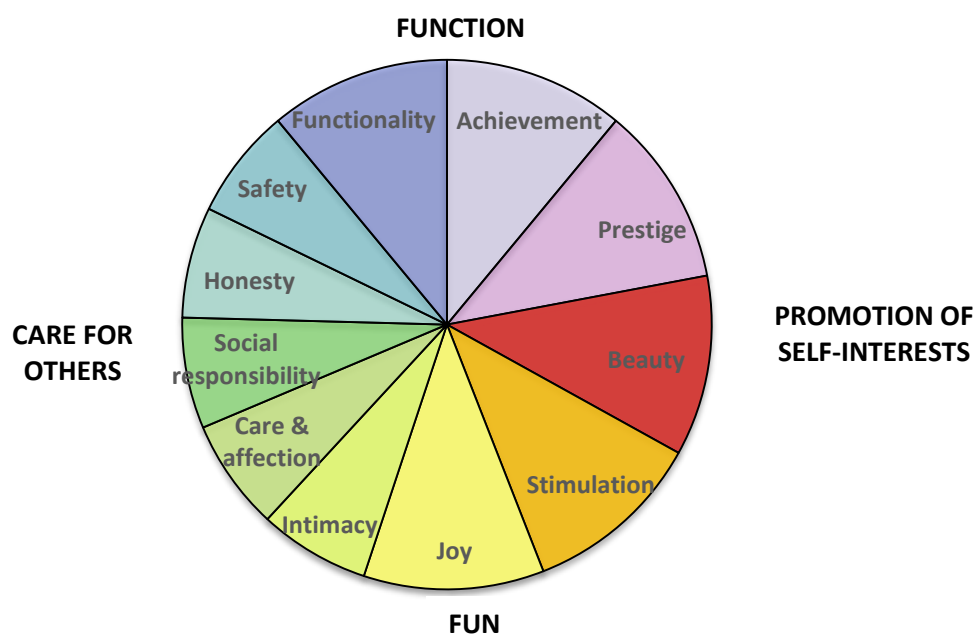
## 4. Description of the Value Compass

### 4.1 Introduction

Consumer behavior involves making choices. Consumers have to decide, often on a daily basis, which brands to buy. These brands are instrumental for consumers: by consuming they attempt to satisfy their needs. Consumers are expected to choose for those brands that match best with what they would like to have, to feel, to be, or to experience. Brands help consumers in realizing what they feel important. As a consequence, brand choice can be considered to be guided by consumer values, as was argued in the previous chapters. We saw that the values guiding brand choice are organized as a coherent system of values, each providing a different motivation to improve the quality of life. Some of these values reinforce each other, while other values have a conflicting impact on choice behavior. This value system, the Value Compass, is organized as a circular structure organized along two central dimensions:

- *Fun versus Function.* This dimension represents values motivating people to improve their quality of life by making hedonic choices, as opposed to values motivating people to improve their quality of life by making utilitarian (functional) choices.
- *Promotion of Self-Interests versus Care for Others.* This dimension represents values motivating people to promote their own personal interests, to make a difference with others, as opposed to values motivating choices aimed at living in harmony with others, caring for others, and taking care of others. Among the care-oriented values, a distinction can be made between, on the one hand, caring for and taking care of close others, and on the other hand, sustainability-oriented values, promoting a sense of responsibility for the future.

The Value Compass is schematically represented in Figure 4.1. Within this value system, different types of values can be identified. This chapter is devoted to a presentation of these value types. Hedonic and utilitarian values are presented in Section 4.2, and the value types of the second dimension are described in Section 4.3. Section 4.4 contains a comparison of the Value Compass with Schwartz's Value System. Finally, Section 4.5 presents the relative importance of consumer values in a sample of Dutch consumers.



**Figure 4.1.** Schematic presentation of the Value Compass.

## 4.2 Fun versus Function

The first central dimension underlying the Value Compass opposes hedonic values such as *joy, sensation, or excitement*, to functional values expressing *intellect, efficiency, or functionality*. Hedonic values stimulate behavior with an intrinsic value, behavior aimed at enjoying and experiencing something for its own sake. Utilitarian values stimulate choices motivated by the instrumental value or usefulness of the brand.

### 4.2.1 Fun: Hedonic values

Hedonism focuses on the intrinsic value of pleasure. Hedonism was already propagated by Epicurus as central motivation in life: "*Pleasure is our first and kindred good. It is the starting-point of every choice and of every aversion.*" (Letter to Menoecus, 128-129). Consumer behavior motivated by hedonic values results in choices aimed at the experience of joy or stimulation. Two value types are distinguished: *enjoying life* and *stimulation*.

#### Enjoying life

The motivational goal of this value type is **To have pleasure and to enjoy life**. This value type includes values such as *enjoying life, fun, pleasure, passion, varied life, and excitement*. The focus on individual pleasure emphasizes the individualistic aspect of this value type. This individualistic aspect is also illustrated by the inclusion of *independence* as one of the values of this value type.

The value type *enjoying life* shows overlap with Schwartz's value type hedonism, which also includes the values pleasure and enjoying life. The key characteristic of *enjoying life* is the focus on the enjoyable emotions that result from consumption; the pleasure, amusement, or joy derived from consuming a brand. The active search for these experiences, the search for arousal, is represented by the following value type: *stimulation*.

#### Stimulation

The motivational goal of *stimulation* is **The experience of stimulating sensations**. It includes values such as *adventure, courage, being active, and being sportive*. The goal of sensation-seeking behavior is the increase of stimulation. Sensation seeking has been defined as "*the seeking of varied, novel, complex, and intense sensations and experiences, and the willingness to take physical, social, legal, and financial risks for the sake of such experience*" (Zuckerman, 1994, p. 27). The importance of sensations for consumer behavior has been boosted by the publication of The Experience Economy (Pine and Gilmore) in 1999. Pine and Gilmore argued that businesses must orchestrate memorable events for their customers, and that the experience of being part of such an event becomes the product.

The value types *enjoying life* and *stimulation* are related. The value type *stimulation* symbolizes the active search for stimulating experiences, to some extent even thrill-seeking behavior, whereas the values in value type *enjoying life* emphasize pleasure itself, the joy, passion, or excitement resulting from experiences. The hedonic values are connected to the other-directed values (*care for others*) by the value type *intimacy*. *Intimacy* symbolizes both a caring, intimate relation as well as the motivation to enjoy (together with) the other.

### 4.2.2 Function: Utilitarian values

Utilitarian values embody competence, the ability to do something successfully or efficiently. In the psychological literature, the concept of competence has been related to self-efficacy, the individual's confidence in his ability to solve a problem or accomplish a task (Bandura, 1986). Bandura made a distinction between outcome expectations – the



belief that certain behaviors will lead to certain outcomes (e.g., studying results in high grades) – and efficacy expectations – the belief that one can effectively perform the behaviors necessary to produce the outcome (e.g., believing that one has the capability to study). Effective performance has been specified as a motivational goal in its own right, evolving from the need to deal effectively with the environment (White, 1959; Yarrow, McQuiston, MacTurk, McCarthy, Klein, & Vietze, 1983). Competence is also considered a basic human need in self-determination theory. This theory maintains that an understanding of human motivation requires a consideration of innate psychological needs for competence, autonomy, and relatedness. In this theory, the need for competence is the desire to have an effect on the environment as well as to achieve desired outcomes (Deci & Ryan, 2000). In management literature, the competence concept has received central attention since the publication of *The core competence of the corporation* (Prahalad & Hamel, 1990). Core competences are the company's collective knowledge, and have to be identified and stimulated in order to create competitive advantage.

The Value Compass distinguishes between successful performance –value type *achievement*– and efficient performance– value type *functionality*. Both value types refer to a utilitarian motivation, a motivation in which the instrumental benefits of consumer choice are valued. In Schwartz's value system, this utilitarian aspect is absent. Schwartz relates competence to the value type achievement, but he does not include functionality in his value system.

### **Functionality**

The motivational goal of *functionality* is **Performance according to specifications**. This value type represents values like *efficiency, common sense, functionality, and reliability*. The focus is on usefulness or utility: the value is not derived from doing a task for its own sake, but to reach some other desired end state (Wigfield & Eccles, 2000). In the Value Compass, utilitarian values oppose hedonic values. Consumers high in *functionality* favor choices where the instrumentality of their preferred choice is more important than its intrinsic (pleasure) value. For instance, when buying a car they won't consider the fun of driving, but rather the efficiency and reliability the car provides in arriving at a certain destination.

*Functionality* has a focus on reliable, efficient performance: being able to obtain the desired outcomes, preferably with using less resources than alternative options. In comparison with *achievement* values, the emphasis is on efficacy, the ability that a certain course of action produces a certain outcome. *Achievement* has a progress orientation, with the emphasis on improving the abilities.

### **Achievement**

The motivational goal of *achievement* is **Higher performance by improving competence**. It stimulates choice behavior where progress is an important motivation, representing values such as *smart solutions, progress, innovation, intellect, and expertise*. Improving competence implies an innovative aspect: doing something better often implies doing it differently from before. McClelland (1987) linked achievement with the search for stimulation: people want to achieve because they need variety and stimulation.

Achievement is a utilitarian value type, neighboring the value type *prestige* in the value space. Both value types emphasize performance. But the point of reference for *achievement* is higher performance as compared to previous performance, whereas a choice motivated by *prestige* focuses on better performance of oneself as compared with the performance of others. This forms a difference with Schwartz's value type achievement. In his value type achievement, he includes the aspect of comparison with others, by including values like successful and influential.

### **4.3 Promotion of self-interests versus Care for others**

The way individuals want to relate to others is an important motivation: consumer choice is influenced by how consumers wish to be perceived by others, or how they wish to have an influence on others. This is expressed by the second dimension underlying the Value Compass: *the promotion of self-interests versus care for others*.

An important element in this dimension is social comparison. Social comparison theory states that people have a drive to evaluate their opinions and abilities in comparison with other people (Festinger, 1954). A number of motivational processes guiding social comparison have been identified, including both vertical and lateral comparison (Suls, Martin, & Wheeler, 2002; Taylor, Wayment, & Carrillo, 1996). Vertical comparison involves comparison with dissimilar others, including both upward and downward comparison. Downward comparison means comparing yourself with people who are worse off. Upward comparison, with superior role models, can provide hope and inspiration. Both upward and downward comparison satisfy self-enhancement, the need to maintain a positive sense of self. Values in the Value Compass motivating the pursuit of self-interest represent this self-enhancement motive. Lateral comparison is aimed at affiliation: the need to affiliate with others similar to oneself. Assimilation is stimulated by the belief that one could obtain the same status as the other, by psychological closeness, or by sharing opinions or abilities with the other. The affiliation motivation is represented by values promoting the care for others.

On a cultural level, the social patterns individualism and collectivism (Hofstede, 1980, 2011; Triandis, 1995) seem related to these values. In individualistic societies, the interests of the individual prevail over the interests of the group, which seems to relate with the pursuit of self-interest in the Value Compass. Collectivistic societies emphasize the interdependence relation with the group. This seems to coincide with values emphasizing the relations with others. Schwartz (1992) identified two basic dimensions underlying his value system. One of these dimensions opposes values promoting personal interests (individual outcomes) with values emphasizing the well-being and interests of others (social outcomes): self-enhancement versus self-transcendence. This dimension corresponds with the dimension *promotion of self-interests versus care for others* in the Value Compass.

#### **4.3.1 The pursuit of self-interest**

Choice behavior can be motivated by values promoting the importance of making a difference with others: the pursuit of one's own interests or one's relative success and dominance over others. There are different ways to make a difference, ranging from status, leadership, and performance to beauty and elegance. Two value types guide social comparison in consumer behavior: the desire to have a more prestigious or more powerful position than others, and the desire to be more attractive than others.

##### **Prestige**

People have the need for self-respect, or self-esteem, and the need to receive respect or esteem from others (Maslow, 1954). These needs involve a desire for reputation, prestige, status, fame, appreciation, or dominance. They are represented in the Value Compass by the value type *prestige*. In the psychological domain, these values were related to the power motive (e.g., Schwartz, 1992). The power motive is the motive to have impact, control, or influence over another person, group, or the world at large (McClelland, 1987; Winter, 1973). On a cultural level, Hofstede defines power distance as "*the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally*" (Hofstede, 2011). In countries with high power distance, people accept the power and status of a superior.

The motivational goal of the value type *prestige* is defined as **Attainment of social status and prestige, and impress, influence or control over people**. This goal is similar to the motivational goal of the value type power in Schwartz (1992). The values in this value type (e.g., *power, status, leadership*) emphasize the importance of power or social status. Consumer behavior motivated by *prestige* values can make a person choose for brands that make it possible to influence or control someone else. A prestige motivation can also lead to conspicuous consumption: the desire to signal wealth or respect by buying brands that express prestige or status (Bagwell & Bentheim, 1996; Han, Nunes, & Drèze, 2010; Vigneron & Johnson, 1999). Conspicuous consumption has been referred to as the 'Veblen-effects'. (Bagwell & Bernheim, 1996). As Veblen puts it: "*In order to gain and to hold the esteem of men, wealth must be put in evidence, for esteem is awarded only on evidence*" (Veblen, 1899, p. 24). Owning prestigious possessions was shown to correlate with the power motive (Winter, 1973).

As mentioned previously, the value types *prestige* and *achievement* are related to each other. *Prestige* motivates to perform better than others, whereas *achievement* emphasizes the improvement of the performance in itself. But the distinction is gradual. *Prestige* is connected to the value type *achievement* by values such as *being successful* and *high performance*. These values relate to both the need for power (to perform better, or to be more successful than somebody else) as well as to the need for achievement (the intrinsic motivation to improve and demonstrate competence). For instance, an individual can value success, because success creates prestige and respect, and consequently the opportunity to receive respect from others (*prestige*). But he can also be motivated by an internal drive to improve performance (*achievement*).

### **Beauty**

The motivational goal of this value type is **Expression of a unique appearance**. This value type represents values associated with physical beauty (*beauty, good-looking*), as well as values emphasizing the aesthetic aspects of appearance or behavior (*style, elegance*). Consumer choice behavior motivated by this value type is aimed at symbolic consumption. The consumer chooses brands that help him to create a certain desired appearance: he wants to look good, elegant, stylish, or attractive, in order to support his self-concept, to impress others, or even to be admired by others.

### **4.3.2 The care for others**

The values in this group express the need for affiliation: the tendency to receive gratification from harmonious relationships (Murray, 1938). Affiliation embodies the importance of interdependence with others: family members, friends, co-workers, or other members of the same country or society (Markus & Kitayama, 1991). Individuals rating high on these values increase their quality of life through their relations with others. Consumer behavior then will be guided by considering the quality of life of others, as well as by showing or confirming membership of the group to which one belongs. Schwartz (1992) refers to these values as self-transcendence values: values emphasizing the concern for the welfare and interests of others. This group of values contains five value types: *care & affection, intimacy, safety, honesty, and social responsibility*.

### **Care & Affection**

This value type incorporates the concern for the well-being of others, and to establish or maintain friendly relations with them. The motivational goal of this value type is **Care for the quality of life of close others**. This value type includes values such as *care, friendship, respect, friendliness, and family life*. These values resemble the need for love, affection, and belongingness identified by Maslow (1954), and Schwartz's value type benevolence, which he defined as the concern for the welfare of close others in everyday interaction. Consumer behavior guided by this value type focuses on satisfying the needs

of others (e.g., buying presents), or on the importance of living in friendship and harmony with others (e.g., home improvement for a more comfortable family life).

The value *health* is included in Schwartz's value type security. In the Value Compass it seems to match more with care-related values. This provides an indication that this value type not only refers to harmonious relations with others, but also to a state of inner harmony. Inner harmony is the motivational goal of spirituality, a value type that was hypothesized by Schwartz (1992) but did not materialize as a separate value type in his cross-cultural studies. In the Value Compass, *spirituality* is included in the value type *intimacy*.

### **Intimacy**

The previous value type, *care & affection*, is concerned with the well-being of close others. The value type *intimacy* reflects a specific form of caring for others. The motivational goal for the value type *intimacy* is **The creation of an intimate relation with a significant other**. The values in this value type (*romance, sensuality, intimacy, cosiness*) emphasize close personal relations. Intimacy is focused on the pleasure and the warm, happy feelings one gets out of a relation with beloved others, which includes a romantic love relation or the relation between parent and child. The aspect of pleasure related to an intimate relation links this value type to the hedonic value types *enjoying life* and *stimulation*. In his publication 'Lovemarks', Roberts (2005) claims that the intimacy-related values *intimacy, sensuality, and mystery*, are essential drivers of brand loyalty because they create love and respect for a brand.

### **Safety**

The motivational goal of this value type is **A feeling of (physical and emotional) security, free from anxiety**. The value type includes values such as *safety, protection, and feeling of security*. The values in this value type resemble Maslow's safety needs (Maslow, 1954). Our value type *safety* is defined in a more restricted sense than Schwartz's value type security, which also includes harmony and stability in relationships. It is the most instrumental of the value types expressing care for others; in the value space it neighbors the value type *functionality*.

*Safety* is aimed at reducing uncertainty. The reduction of uncertainty is a primary motivation in human behavior. People can be characterized by their uncertainty orientation (Sorrentino & Short, 1986). Certainty-oriented people will value safety and security, whereas someone oriented toward uncertainty will "search for meaning, attempting to make sense out of his environment, and will seek out new or novel situations" (Sorrentino & Short, 1986, p. 382). We can expect that certainty-oriented consumers show lower ratings on values belonging to the value type *stimulation*, and relatively higher ratings for the value type *safety*. Uncertainty orientation has also been related to achievement motivation (Sorrentino & Short, 1986): an achievement motivation makes a person to engage actively in behavior with uncertain outcomes. The conflicting motivations of *stimulation* and *achievement* on the one hand and *safety* on the other hand are visible in the opposing positions they occupy in the value space of the Value Compass. On a cultural level, a distinction can be made between cultures high in uncertainty avoidance and low in uncertainty avoidance (Hofstede, 2011, Hofstede & Hofstede, 2005). Uncertainty avoidance is defined here as "the extent to which the members of a culture feel threatened by ambiguous or unknown situations" (p. 167). In cultures where safety values are more important, the motivation for anxiety reduction is expected to be relatively strong.

### **Honesty**

The motivational goal of this value type is **A feeling of confidence, being able to trust the other's intentions**. The value type includes values such as *honesty, keeping a promise, loyalty, and trust*.

Schwartz's value type benevolence includes the value types *care & affection* and *honesty* of the Value Compass. However, the analysis of discriminant validity in Section 3.2 showed that *care & affection* and *honesty* can be treated as separate value types, representing distinct motivational goals. In consumer behavior, the value type *honesty* can provide for several motivations, for instance, a tendency to prefer honest products (e.g., produced in a sustainable way, not abusing scarce resources), a tendency to prefer honest suppliers (e.g., trustworthy, being committed), or a tendency toward loyal buying behavior (e.g., a person being loyal or committed to a specific brand due to past positive experience).

### **Social responsibility**

The Value Compass distinguishes between values focusing on the here and now, as opposed to values aiming at the future quality of life. The motivational goal of *care for the future*, or *social responsibility*, is **A sense of responsibility for the quality of life of future generations**. This value type includes values such as *environmental-friendliness* and *providing for a better world*.

Schwartz (1992) made a distinction between benevolence and universalism. Universalism closely resembles the value type *social responsibility*, but Schwartz does not explicitly include the time dimension in his definition of universalism. In Schwartz's value system, there is no distinction between providing for the current and for the future quality of life. In his work on cultural dimensions, Hofstede does include a future-oriented cultural dimension (Hofstede, 2011). This dimension, labelled by Hofstede as '*long-term versus short-term orientation*', represents a time element similar to the distinction between providing for a future quality of life and a current quality of life in the Value Compass. Hofstede points out that values typical for long-term orientation are strong in East Asian cultures, due to Confucianist influences.

*Care for the future* is also linked to the concept of sustainability. The Brundtland Commission of the United Nations defined sustainable development as "*development that meets the needs of the present without compromising the ability of future generations to meet their own needs.*" (1987, p. 43). Sustainable development can particularly flourish in a context where people cherish the values included in the value type *social responsibility*.

## **4.4 Concluding remarks on the differences between the Value Compass and Schwartz's value system**

Schwartz (1992) defined values as guiding motivations for life in general. He conceptualized his value system as a circular structure of dynamic relations among ten value types. In this circular structure, conflicting values are in opposing directions from the center, and complementary values are adjacent to one another. Schwartz's value system is organized along two bipolar dimensions: self-enhancement versus self-transcendence, and openness values versus conservation values.

The Value Compass was developed to provide guidance for a more specific setting: values are activated toward brand choice. In the previous chapter, we found that the Value Compass, like Schwartz's value system, is organized as a value system with a circular structure. The Value Compass was found to consist of eleven value types, organized along two bipolar dimensions: *Promotion of self-interest versus Care for others*, and *Fun versus Function*. The first dimension resembles the dimension self-enhancement versus self-transcendence of Schwartz's value system. The second dimension, *Fun versus Function*, is connected to the utilitarian-hedonic distinction found in consumer behavior literature, but does not relate to Schwartz's value system.

Table 4.1 compares the values of the Value Compass with corresponding values in Schwartz's value system. The comparison illustrates that the activation toward consumer

behavior created a context in which additional motivations appeared. This is particularly true for utilitarian values, and for the value types *beauty* and *intimacy*. On the other hand, some of the value types of Schwartz's value system seem to be irrelevant to consumer behavior. This is particularly true for tradition and conformity, two value types representing the conservation of the status quo, and respect for the past and for traditions. Apparently, these values do not have a useful application to consumer behavior in a western society such as the Netherlands.

**Table 4.1.** Comparison of the Value Compass with Schwartz's value system (SVS).

Value type in Value Compass	Corresponding value type in the SVS	Further explanation
Enjoying life	Hedonism	<i>Enjoying life</i> and hedonism share a similar motivation.
Stimulation	Stimulation	Similar.
Intimacy	-	Not represented in the SVS.
Care & affection	Benevolence	Benevolence is defined by Schwartz as " <i>the concern for the welfare of close others in everyday interaction</i> " (p. 11). This also reflects the general idea behind the value type <i>care &amp; affection</i> of the Value Compass, although Schwartz uses other marker values for benevolence. Benevolence seems to have a broader interpretation.
Honesty	Benevolence	Schwartz's benevolence includes honesty and loyalty.
Safety	Security	<i>Safety</i> and security share a similar motivation.
Soc. responsibility	Universalism	The motivational goal of universalism is defined by Schwartz as " <i>understanding, appreciation, tolerance, and protection for the welfare of all people and for nature</i> " (p. 12).
-	Tradition, conformity	Tradition and conformity seem to lose relevance when values are activated toward consumer choice processes. They are not present in the Value Compass.
Functionality	-	Utilitarian values (i.e., <i>functionality</i> ) are relevant for consumer behavior, but Schwartz does not identify utilitarian value types. Functionality does have an overlap with Schwartz's type self-direction. Although some marker values of self-direction (independence and curiosity) are included in the value type <i>enjoying life</i> of the Value Compass, the motivational goal of self-direction (" <i>independent thought and action [...] derived from organismic needs for control and mastery</i> " (Schwartz, 1992, p. 5) seems more closely related to the utilitarian need for competence, as expressed by the value type <i>functionality</i> of the Value Compass.
Achievement	Achievement	The utilitarian value type <i>achievement</i> of the Value Compass resembles the value type achievement of the SVS, defined by Schwartz as " <i>personal success through demonstrating competence according to social standards</i> " (p. 8).
Prestige	Achievement, power	The value type <i>prestige</i> shares elements with Schwartz's value types achievement and power.
Beauty	-	Not represented in the SVS.

In the literature review in Chapter 2, we mentioned that Rokeach (1973) distinguished between terminal and instrumental values. Schwartz (1992) did not find this distinction. In line with Schwartz's observations, the Value Compass does not distinguish between instrumental and end values either. The Value Compass, however, does recognize a special position for *quality of life* and *well-being*. In the analysis in Chapter 2, both items appeared in the centre of the value space. These items are positively correlated with all other values

and are considered an outcome of the successful pursuit of any other value. A similar observation was made by Schwartz (1994) concerning the related value *happiness*<sup>17</sup>.

#### 4.5 Value profile for the Netherlands

Individual values are partly a result of a background shared with other individuals in society, and partly represent individual differences (Hofstede, 1980, 2011; Schwartz, 1994b; Schwartz & Bardi, 2001) reflecting individuals' unique needs, temperaments, and experiences (Schwartz & Bardi, 2001). The shared background of a group of individuals can be related to evolutionary-biological aspects of human nature, and to cultural or institutional demands (Schwartz & Bilsky, 1987). When creating a value profile for a consumer target group, or for a country or society as a whole, then the average value rating for each value type reflects the shared background in this population. Variety in responses around this mean are operationalized by the standard deviation: a higher standard deviation reflects larger individual differences within the population.

##### *The value profile*

Table 4.2 presents the value profile of the Netherlands, based on data collected in the second student survey in Chapter 3. The value profile was derived from the average ratings for each of the value types of the Value Compass, over all individuals in the test. For instance, for the value type *honesty*, first an individual honesty score was calculated. This individual score is a weighted average of the respondent's ratings on the three value items *honesty*, *loyalty*, and *keeping a promise*. Weights were derived based on the loadings of each item in this test on its value type. For instance, individual ratings of honesty = 3, keeping a promise = 4, and loyalty = 3, result in the following individual rating for the value type honesty:

$$\frac{(0.64 \times \text{honesty}) + (0.86 \times \text{keeping a promise}) + (0.79 \times \text{loyalty})}{0.64 + 0.86 + 0.79} = \frac{(0.64 \times 3) + (0.86 \times 4) + (0.79 \times 3)}{0.64 + 0.86 + 0.79} = 3.38^{18}$$

Next, the sample mean for honesty was derived by averaging the results of all the individuals in the test. This resulted in a mean rating of 4.026. In the value profile in Table 4.2, values are ranked by importance. This profile was labelled the value profile of the Netherlands, even though, essentially, it is the value profile of the Dutch student sample. The mean value ratings reflect the shared background of the individuals in the Dutch student sample. For instance, the value type *honesty* is the most important value guiding brand choice, with a mean of 4.026. Individual variation around this mean reflects unique personality and experience. To continue with the individual ratings for *honesty* in the example mentioned above: *honesty* is a less important motivation for this hypothetical consumer than for the average consumer in the sample. As a consequence, this individual could be relatively less sensitive to appeals for brand loyalty. The extent of the individual variation can be derived from the standard deviation results listed in the table. A higher standard deviation implies bigger individual differences in the population.

Table 4.2 shows that not all value types are equally important. Honesty, functionality, and hedonic considerations are the relatively important motivations for brand choice. Consistent differences in value priorities were also found in previous studies (e.g., Fischer & Schwartz, 2011; Schwartz & Bardi, 2001; Schwartz et al., 2001); the pan-cultural baseline presented in Section 2.10 provides an illustration. The differences in standard deviation in Table 4.2 illustrate that, for some value types, the individual differences are

<sup>17</sup> In the development process of the Value Compass, the value *happiness* was filtered out in Stage 2, because of the multidimensional meaning of this word.

<sup>18</sup> The factor loadings in this equation were derived from the CFA analysis executed on the results of the second student survey. Factor loadings for all other value items are available upon request from the author.

bigger than for other value types. Particularly values emphasizing care for the future (e.g., values stimulating environmentally-friendly consumer behavior) are subject to relatively large individual differences. Individual variation in value priorities can be related to life's circumstances. People adapt their values to the situation they are faced with. Value priorities have been shown to be related to, among others, life cycle, level of education, age, gender, and income level (Inglehart, 1997; Schwartz, 2006). The effect of gender differences is elaborated below.

**Table 4.2.** Value profile of the Netherlands.

Value type	Mean	Std. Deviation	n	95% Conf. Interval
1. Honesty	4.026	.859	302	[3.929, 4.123]
2. Functionality	3.897	.680	304	[3.820, 3.974]
3. Enjoying life	3.895	.680	311	[3.819, 3.971]
4. Safety	3.729	.824	296	[3.635, 3.823]
5. Achievement	3.681	.693	263	[3.597, 3.765]
6. Care & affection	3.610	.780	299	[3.521, 3.699]
7. Beauty	3.520	.849	280	[3.420, 3.620]
8. Social responsibility	3.301	.946	301	[3.194, 3.408]
9. Stimulation	3.278	.773	305	[3.191, 3.365]
10. Prestige	3.248	.878	296	[3.148, 3.348]
11. Intimacy	3.212	.768	281	[3.122, 3.302]

#### *Gender Differences: men versus women*

Table 4.3 shows the value priorities of men and women. These results can be compared both from a similarities perspective and from a perspective emphasizing the differences between genders<sup>19</sup>. From the similarities perspective, the overall rank ordering of value priorities for men and women tends to be fairly similar: *honesty*, *functionality*, and *enjoying life* are among the most important consumer values for both men and women, and *stimulation*, *prestige*, and *intimacy* rank relatively low in importance for both groups. However, there are a number of small yet significant differences in value priorities. As compared to women, men give a significant higher priority to *functionality*, *achievement*, and *prestige*, whereas women prioritize values related to *social responsibility*, *safety*, and *intimacy*.

<sup>19</sup> Women show a light tendency to give somewhat more positive answers (acquiescence bias): the average response of women, for all values together, is 3.595, versus 3.569 for men. Comparison of gender differences was based on scores adjusted for acquiescence bias (Fischer, 2004). In the adjustment procedure, the overall average male score (3.569) was subtracted from the male scores for each value type. For instance, the original score for men for honesty is 4.049. After adjustment, this resulted in a score of 0.479. The procedure then was repeated for the female scores. In order to reflect the original 5-point scale, the scores were then rescaled by adding to them the average rating in the whole sample, men and women together (3.581). Table 4.3 reflects the adjusted and rescaled scores.

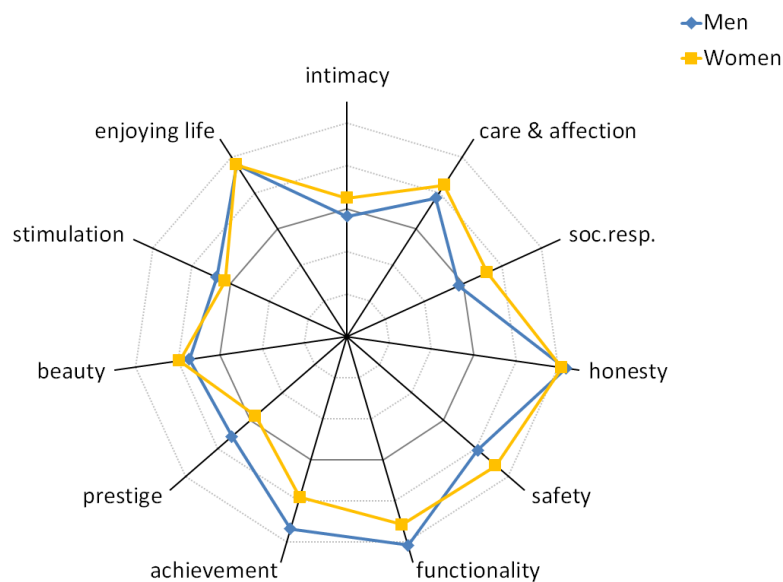


**Table 4.3.** Gender differences in value priorities.

Value type	Women	Men	Conf. interval of difference (95%)	Effect size, Cohen's d (NS = not significant)
Honesty (4.026)	1 (3.995)	1 (4.060)	[-0.258; 0.129]	0.076 NS
Functionality (3.897)	4 (3.806)	2 (4.022)	[-0.374; -0.057]	0.318 Small
Enjoying life (3.895)	2 (3.884)	3 (3.898)	[-0.173; 0.146]	0.021 NS
Safety (3.729)	3 (3.812)	5 (3.602)	[ 0.023; 0.398]	0.255 Small
Achievement (3.681)	7 (3.548)	4 (3.859)	[-0.467; -0.156]	0.449 Small
Care & affection (3.610)	4 (3.663)	6 (3.525)	[-0.043; 0.320]	0.177 NS
Beauty (3.520)	5 (3.568)	7 (3.471)	[-0.095; 0.288]	0.114 NS
Soc. resp. (3.301)	6 (3.435)	10 (3.126)	[ 0.094; 0.525]	0.327 Small
Stimulation (3.278)	10 (3.251)	9 (3.319)	[-0.249; 0.114]	0.088 NS
Prestige (3.248)	11 (3.135)	8 (3.407)	[-0.471; -0.072]	0.310 Small
Intimacy (3,212)	9 (3.294)	11 (3.104)	[ 0.009; 0.371]	0.247 Small

The effect size for each value type was calculated as  $\frac{(\text{rating for men}) - (\text{rating for women})}{(\text{standard deviation of the value type})}$ <sup>20</sup>. Based on Cohen's rule of thumb, the effect size of a standardized difference between two items (here, between male score and female score) is small if this difference is at least 0.20, medium if at least 0.50, and large if at least 0.80 (Cohen, 1992).

Figure 4.2 highlights the similarities and differences between men and women. The observed pattern reflects stereotypical differences between masculine and feminine gender roles, comparable to the outcomes of previous studies on gender effects and value priorities (for an overview see Schwartz & Rubel, 2005).



**Figure 4.2.** Comparison of value priorities of men and women.

Explanations for these gender-related value priorities were related to social roles and evolutionary adaptation (Schwartz & Rubel, 2005; Schwartz & Rubel-Lifschitz, 2009). Briefly summarized, women need to care for their children in a secure environment. Males with a higher status in society are more able to provide this secure environment.

<sup>20</sup> For each value type, we used the standard deviation as displayed in Table 4.2.

Consequently, value differences between genders developed, making care and safety more important for women and achievement and prestige more important for men. Apparently, this evolutionary process is still reflected in the choices we make as a consumer. Men score consistently higher on values emphasizing prestige, achievement, and utility. Women, when evaluating brands, are relatively more concerned with security, intimacy and care for others, and care for society as a whole.

#### **4.6 Conclusion**

The Value Compass consists of eleven value types, each offering a distinct motivation for consumer behavior. The structure of the Value Compass resembles the structure of value systems that are used in psychology to explain the motivational structure of individuals. But the specific focus on consumer choice activated a number of other values which do not appear in value systems with a more psychological orientation. More specifically, the Value Compass demonstrates that consumer behavior specifically activates a choice between conflicting hedonic and instrumental motivations, a value dimension that is not represented in Schwartz's value system. Other differences involve the presence of the value types *intimacy* and *beauty*, and the absence of tradition and conformity values in the Value Compass.

The Value Compass is related to a specific behavioral context: consumer behavior. The next chapters will investigate, to what extent this specific activation of values toward consumer behavior also creates a closer link with, and thus an explanation for, this type of behavior.



*Part III.*

*Values & Branding*

## 5. Brand values and brand choice

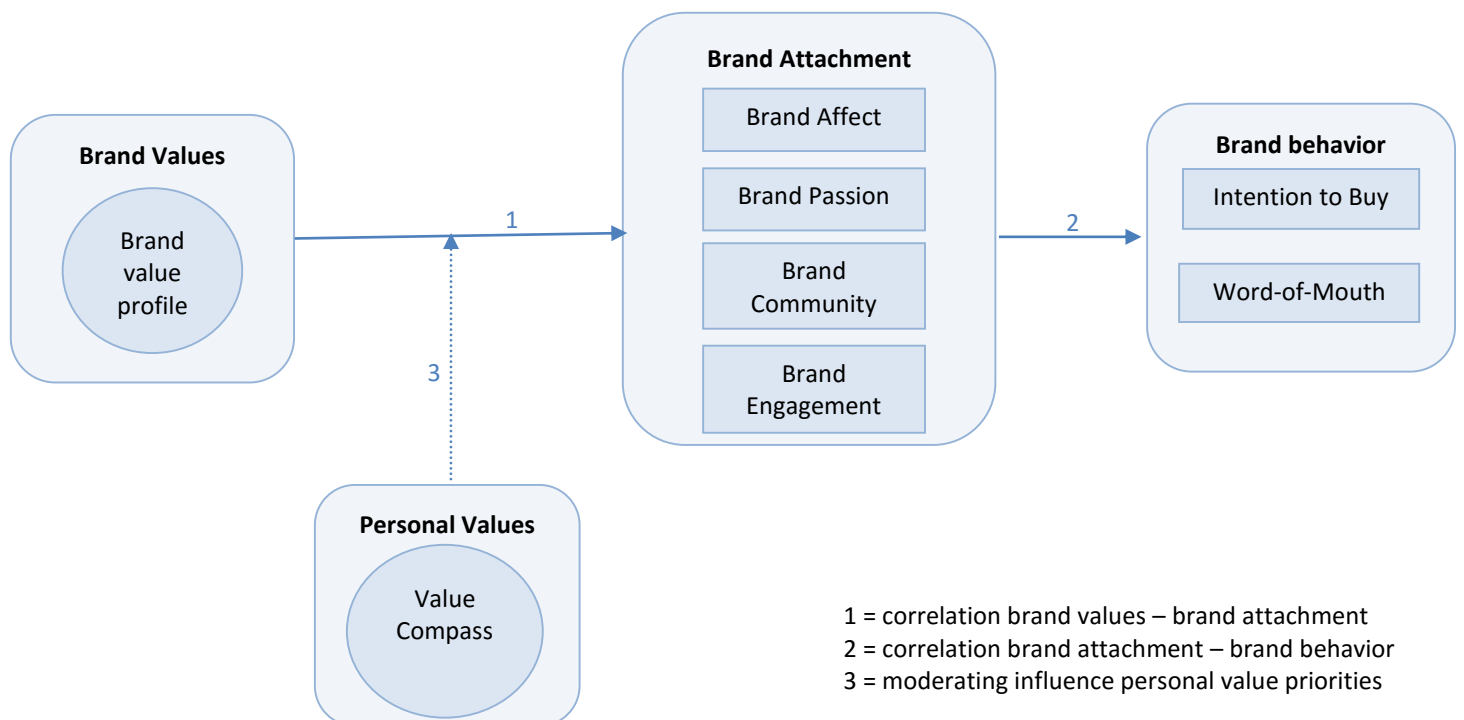
### 5.1 Introduction

Values guide people's behavior, thereby motivating them to make choices. In our study, we proposed that consumer behavior is also guided by values. Consumer values were found to be organized in a coherent system in which they are related to each other. In this value system, the Value Compass, some values are compatible with each other, and we can expect them to reinforce consumer choice. Other values have a conflicting influence on consumer choice.

Part II presented the development of the Value Compass. The purpose of Part III is to demonstrate the impact of values on consumer choice. This is in line with the second objective of this dissertation: "*The assessment of the effect of values on consumer choice*". This objective implies that we need to assess the extent of this effect, and the mechanisms through which values influence choice. In other words, we need to answer the following questions:

- How do brand values influence consumer behavior?
- How important is the influence of brand values on consumer behavior?
- How, and to what extent, does a match between the brand values and the personal values of the consumer reinforce this behavior?

The relation between brand values and brand choice was explored in Chapter 2. To visualize this relation, we proposed the brand value model (BVM), which is reproduced below.



**Figure 5.1.** Brand Value Model: the impact of values on brand choice.

The BVM relates values to consumer behavior. The constructs and relationships hypothesized by this model were derived in Chapter 2. The tests of the relations described

in this model are described in the current and the next chapter. Section 5.2 describes the test design; the results can be found in the subsequent sections. These results are structured according to the linkages proposed by the model:

1. the correlation between brand values and brand attachment,
2. the mediating effect of brand attachment on the relation between brand values and brand behavior,
3. the moderating effect of value congruence.

*1. The correlation between brand values and brand attachment*

Brands propose values which are important to consumers. A brand value profile is the perceived value proposition of the brand, i.e. the combination of values the consumer expects to find in the brand. Our Proposition 4 states that "*brand values stimulate the relationship between the consumer and the brand, by creating an emotional attachment to the brand*". Consequently, we expect that a consumer who perceives more favorable values in a certain brand, will become more attached to this brand. This relationship between brand values and brand attachment, expressed by the first linkage in Figure 5.1, is explored in Section 5.5.1. However, before this relation can be explored, we need to investigate the structure of the brand attachment construct and the structure of the brand value profile. These structures are investigated in Sections 5.3 and 5.4, respectively.

*2. Brand attachment mediates the influence of brand values on brand behavior*

According to the BVM, we expect a positive correlation between brand attachment and brand behavior: a stronger attachment to the brand results in a higher intention to buy the brand or a higher chance that the consumer engages in positive word-of-mouth about the brand (linkage 2). Essentially, linkage 2 proposes that the effect of brand values on brand behavior is mediated by brand attachment. Brands with a higher values content are expected to generate a higher brand attachment, which is expected to result in a higher willingness to buy the brand, or to spread positive word-of-mouth. This mediation effect is explored in Section 5.5.2.

*3. A match between brand values and personal values stimulates brand attachment*

Actions and choices of consumers are motivated by their values. A consumer is expected to feel a stronger brand attachment if the brand proposes values that are more central to the consumer (Proposition 5). In other words, we expect a stronger brand attachment if there is a match between the Value Compass of the consumer and the value profile of the brand. This is expressed by the third linkage in the BVM. The effect of this match between consumer values and brand values, referred to as value congruence, is explored in Chapter 6.

Brand values are introduced in this research as a meaningful brand concept, with added value as compared to already existing brand concepts. Currently, the most popular brand concept that attempts to create a link between human psychology and branding is Aaker's brand personality framework. The last chapter of part III, Chapter 7, compares the brand values concept with the brand personality framework.

## **5.2 Method**

The BVM proposes a number of interrelated concepts. This model was tested in a number of studies. Each of these studies focused on one of the elements of the model. The first set of studies involved the concepts used in the BVM: the Value Compass, the brand value profile, brand attachment, and brand behavior. The structure of the Value Compass was developed in Chapter 3. The structure of the other constructs, however, still needs to be specified. After establishing these constructs, we proceed with testing the relationships between them, as indicated by the linkages proposed in Figure 5.1.

### *Sample*

The tests of the BVM were based on data derived from a single, extensive questionnaire which was distributed among students of the Hanze University of Applied Sciences Groningen between September 12<sup>th</sup>, 2010 and September 30<sup>th</sup>, 2010<sup>21</sup>. These students were randomly drawn from the student database of the university.

### *Design*

Selected respondents received an email on September 12<sup>th</sup>, 2010, with a request to fill out the survey. This email was followed by two reminders (respectively one week and two weeks after they received the first mail). The survey was available online, respondents could access the survey by clicking on the link they could find in the email. SurveyMonkey was used to publish the survey online, and to collect the responses. To ensure a culturally homogeneous sample, only questionnaires filled out by Dutch respondents were used. The analysis in Section 4.5 demonstrated that gender influences the importance of value priorities. Consequently, to avoid different proportions of men and women influencing the outcomes, the sample was weighted by gender as to represent a sample consisting of 50% males and 50% females.

The survey consisted of three parts, in which the following variables were submitted: personal values, brand values, brand attachment, and brand behavior. First, respondents had to evaluate their own value priorities. Next, respondents were presented three to four brands, and they had to indicate to what extent certain values could be applied to these brands. The values of the Value Compass were used for the evaluation of personal value priorities and brand values. Respondents also had to give their overall evaluation of these brands by answering questions related to their brand attachment and their behavioral intention (intention to buy or use the brand, or intention to spread positive word-of-mouth). Below, we give a more detailed description of each of the submitted variables.

### *Personal Values*

Respondents were asked to rate their own value priorities. The respondents received the same instruction as in the survey used for the development of the Value Compass: they had to rate the relevance of each value item in a consumer choice context, by answering the question "How important is this value for you when you have to make a choice between products or services?". Ratings were provided on a 5-point scale ranging from *very unimportant* to *very important*. The ratings for the value items then were used to construct value types.

In the survey, respondents had to evaluate their own value priorities as well as the brand values for each of the brands they were presented with. This resulted in a long questionnaire. A pretest of the survey showed that this would lead to a high degree of boredom with the respondents, resulting in a low response. Consequently, for the purpose of this test, a shortened version of the Value Compass was developed. A shorter list of value items, or marker values, was used for this version. In addition, the closely related value types *achievement* and *functionality*, as well as the value types *care & affection* and *intimacy* were combined. Table 5.1. presents this shortened version of the Value Compass.

We can only use an adapted version of the Value Compass if it provides adequate fit, as compared to the original version. Confirmatory Factor Analysis (CFA) was used to estimate

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<sup>21</sup> In our research, the student database of the Hanze University of Applied Sciences Groningen was used for three survey rounds: the selection of value items in Stage 2 of the development of the Value Compass (February 2010), the confirmation of the structure of the Value Compass in Stage 6 and 7 of the development of the Value Compass (March 2010), and the test of the BVM (September 2010). In each of these three surveys, a different random sample was drawn out of the database. The factor structure and factor loadings of the –full– version of the Value Compass were based on the results of the March 2010 survey. For the test of the BVM, a shortened version of the Value Compass was used (see below). The factor structure and factor loadings of the short version of the Value Compass were based on the results of the September 2010 survey.

factor loadings of the marker values of the adapted version, and then to test its goodness-of-fit. The test showed that the shortened version of the Value Compass provides adequate fit (goodness-of-fit test with CFA,  $X^2 = 900.2$  with  $df = 194$ ,  $CFI = 0.965$ ,  $RMSEA = 0.069$ <sup>22</sup>). Consequently, this short version was used in the tests of the BVM. The loadings of the marker values on their value types, as computed in the CFA, were used to construct the value types of the short version of the Value Compass: for each respondent, the average rating for a value type was computed from his weighted average rating of the items representing the value type, with weights derived from their factor loadings. The sample mean per value type then is the mean rating across all respondents. This procedure was explained in more detail in Section 4.5.

**Table 5.1.** Value types and their marker values in the short version of the Value Compass.

<b>Value type</b>	<b>Marker values</b>	<b>Value type</b>	<b>Marker values</b>
<b>Affection</b>	<i>Caring for someone</i> <i>Family life</i> <i>Friendliness</i>	<b>Stimulation</b>	<i>Adventure</i> <i>Being active</i> <i>Being sportive</i>
<b>Honesty</b>	<i>Honesty</i>	<b>Prestige</b>	<i>Power</i> <i>Status</i> <i>Being successful</i>
<b>Safety</b>	<i>Safety</i>	<b>Beauty</b>	<i>Beauty</i> <i>Elegance</i> <i>Style</i>
<b>Social responsibility</b>	<i>Being environmental-friendly</i> <i>Providing for a better world</i> <i>Recycling</i>	<b>Functionality</b>	<i>Expertise</i> <i>Functionality</i> <i>Smart solutions</i>
<b>Enjoying life</b>	<i>Enjoying life</i> <i>Excitement</i> <i>Fun</i>		

Table 5.2 presents the descriptives for the personal value priorities of the short version of the Value Compass, based on the sample results. From this table we can see that, despite differences in the marker values representing the value types, the order of value priorities in the short version of the Value Compass is largely similar to the order of value priorities in the original version, as was presented in Table 4.2.

**Table 5.2.** Descriptives for the short version of the Value Compass.

<b>Value type</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>n</b>	<b>95% Conf. Interval</b>
1. Honesty	4.109	1.020	943	[4.039, 4.179]
2. Safety	3.880	1.051	963	[3.808, 3.952]
3. Enjoying life	3.875	.853	928	[3.816, 3.933]
4. Functionality	3.771	.726	919	[3.722, 3.821]
5. Affection	3.670	.879	933	[3.610, 3.730]
6. Social responsibility	3.325	.925	953	[3.262, 3.389]
7. Beauty	3.303	.878	951	[3.242, 3.363]
8. Stimulation	3.271	.818	948	[3.215, 3.327]
9. Prestige	3.134	.878	949	[3.074, 3.194]

<sup>22</sup>A model has good fit with  $RMSEA \leq 0.08$ , and  $CFI \geq 0.92$ . Text Box 3.3 in Chapter 3 provides extensive background information on CFA.



### Brand Values

After evaluating their own value priorities, a number of brands were presented to the respondents. All selected brands are consumer brands with a global presence, expected to be well-known to the respondents of the survey. In total sixteen brands were included in the survey. To give a broader coverage of consumer brands, the brands were selected out of a number of different product categories:

- Cars: Audi, BMW, Toyota, Volkswagen, and Volvo.
- Fast moving consumer goods: Coca Cola and Heineken.
- Entertainment & lifestyle: Discovery, Disney, IKEA, and Starbucks.
- ICT: Apple, Nokia, and Sony Ericsson.
- Social media: Facebook, and Twitter.

Each respondent had to evaluate three or four brands. The selection of brands was randomized across respondents. To avoid within-subject interaction effects, only the first brand evaluated by the respondent was used in the tests of the BVM<sup>23</sup>. Following Proposition 3, the value profile of a brand is expected to consist of brand values similar to the consumer's values in the Value Compass. Therefore, in order to test the structure of the brand value profile, respondents evaluated the value profiles of these brands with the same value items as they had used to evaluate their own value priorities. They had to indicate to which extent they thought that each value was proposed by the brand: "A brand can represent certain values. Could you indicate to what extent the following brands represent these values (for instance, 'Audi represents strength')?" Ratings were obtained on a 5-point Likert scale, ranging from *totally disagree* to *totally agree*. The results were used as input for the test of the structure of brand value profiles, which is presented in Section 5.4.

### Brand Attachment

Brand attachment was determined for each brand in the survey. Brand attachment was measured by a scale which consists of a number of items representing the four dimensions proposed in Chapter 2: brand affect, brand love, brand community, and brand engagement. Table 5.3 provides a specification of the items of the brand attachment scale, including the references to the sources from which the items were taken. Ratings for the items were obtained on a 5-point Likert scale, ranging from *totally disagree* to *totally agree*. Each dimension is calculated as a weighted average of the item ratings, with weights derived from the factor loadings of the items. The validation of the proposed structure of the brand attachment construct, including specification of the factor loadings, is presented in the following section.

**Table 5.3.** Operationalization of brand attachment (BAtt).

<b>Dimension of BAtt</b>	<b>Corresponding items</b>	<b>Source</b>
<b>Brand affect</b>	<i>I like [brand X]</i>	<i>Wilkie &amp; Pessemier (1973)</i>
<b>Brand passion</b>	<i>I love [brand X]</i> <i>I am passionate about [brand X]</i>	<i>Brand love scale of Carroll &amp; Ahuvia (2006)</i>
<b>Brand community</b>	<i>I identify with people who use [brand X]</i> <i>I feel a connection with other [brand X] users</i>	<i>adapted from Keller (2008)</i> <i>community integration scale of McAlexander et al. (2002)</i>
<b>Brand engagement</b>	<i>I often feel a personal connection between [brand X] and myself</i> <i>I have a special bond with [brand X]</i>	<i>BESC-scale of Sprott et al. (2009)</i>

<sup>23</sup> The evaluation of the other brands was not redundant. They were used to construct the brand value profiles that were used in examples presented later in this text.

### Brand Behavior

Brand behavior is operationalized by the intention to (re)purchase the brand, and the intention to provide positive word-of-mouth. These constructs were operationalized by a number of items, which are presented in Table 5.4. Ratings for each of these items were obtained on a 5-point Likert scale, ranging from *totally disagree* to *totally agree*.

**Table 5.4.** Operationalization of brand behavior.

<b>Dimension</b>	<b>Corresponding items</b>	<b>Source</b>
<i>Buying intention</i>	<i>I will buy / use [brand X] the next time I buy/use [this product] I intend to keep buying [brand X]</i>	<i>Chaudhuri &amp; Holbrook (2001)</i>
<i>Word-of-mouth</i>	<i>I talk in a positive way about [brand X] to my friends</i>	<i>Carroll &amp; Ahuvia (2006)</i>

The complete questionnaire used for the test of the BVM can be found in Appendix IV.

### Response

A total of 1678 Dutch students responded to the mail, and opened the online survey by clicking on the link that was provided to them. Not all of these students actually started filling out the survey: for about half of them, participation did not involve more than reading the welcome page of the online survey. Only the students who completed the personal value priorities were counted as respondents. This resulted in 850 respondents. The whole survey was completed by 310 students: 36.5%. The large drop-out ratio in the survey was probably due to the length of the questionnaire. Table 5.5 provides an overview of the completes per brand.

**Table 5.5.** Response per brand.

<b>Brand</b>	<b>Response (Completes per brand)</b>	<b>Brand</b>	<b>Response (Completes per brand)</b>
<i>Apple</i>	<i>80</i>	<i>IKEA</i>	<i>79</i>
<i>Audi</i>	<i>107</i>	<i>Nokia</i>	<i>77</i>
<i>BMW</i>	<i>113</i>	<i>Sony Ericsson</i>	<i>64</i>
<i>Coca Cola</i>	<i>101</i>	<i>Starbucks</i>	<i>78</i>
<i>Discovery</i>	<i>96</i>	<i>Toyota</i>	<i>60</i>
<i>Disney</i>	<i>99</i>	<i>Twitter</i>	<i>88</i>
<i>Facebook</i>	<i>65</i>	<i>Volkswagen</i>	<i>95</i>
<i>Heineken</i>	<i>84</i>	<i>Volvo</i>	<i>81</i>

### Organization of results

The survey results were used to test the BVM. These tests are presented in this and the following chapter. We start with the analysis of the constructs used in the BVM: the brand attachment construct is examined in Section 5.3 and the structure of the brand value profile in Section 5.4. Section 5.5 examines the relationships between these constructs: the relation between brand values and brand attachment (linkage 1 in Figure 5.1) is tested in Section 5.5.1, and the mediating effect of brand attachment in the relation between brand values and behavior (linkage 2) in Section 5.5.2. The analysis of the influence of value congruence on brand attachment (linkage 3) is described in Chapter 6.

### 5.3 Brand attachment

#### 5.3.1 The structure of the brand attachment construct

According to the BVM, the presence of brand values is expected to strengthen the relation between the consumer and the brand. Brand attachment, the emotional attachment of the consumer to a brand, is used in this model as indicator for the consumer-brand relationship. The literature review suggested that brand attachment can be represented by four dimensions: brand affect, brand passion, brand community, and brand engagement. Each of these dimensions was operationalized in the BVM with one (for brand affect) or two items (for the other three constructs; see Table 5.2).

Before we can test the structure and the relations implied by the BVM, it is necessary to validate the structure of the brand attachment construct as proposed here. The results of the survey presented in the previous section were used as input for this analysis.

#### Analysis of the structure

**Method.** The analysis of the structure of the brand attachment construct is based on the data obtained from the survey described in Section 5.2. Below, we describe the analysis and the outcomes.

**Analysis.** A principal components analysis, using varimax rotation, was used to assess the underlying structure of the brand attachment construct. Confirmatory factor analysis (CFA) was used to verify the goodness-of-fit of the hypothesized structure.

#### Results.

The principal components analysis revealed the predicted structure of the four attachment dimensions. We observed a high factor loading of the items on the factors on which they were supposed to load:

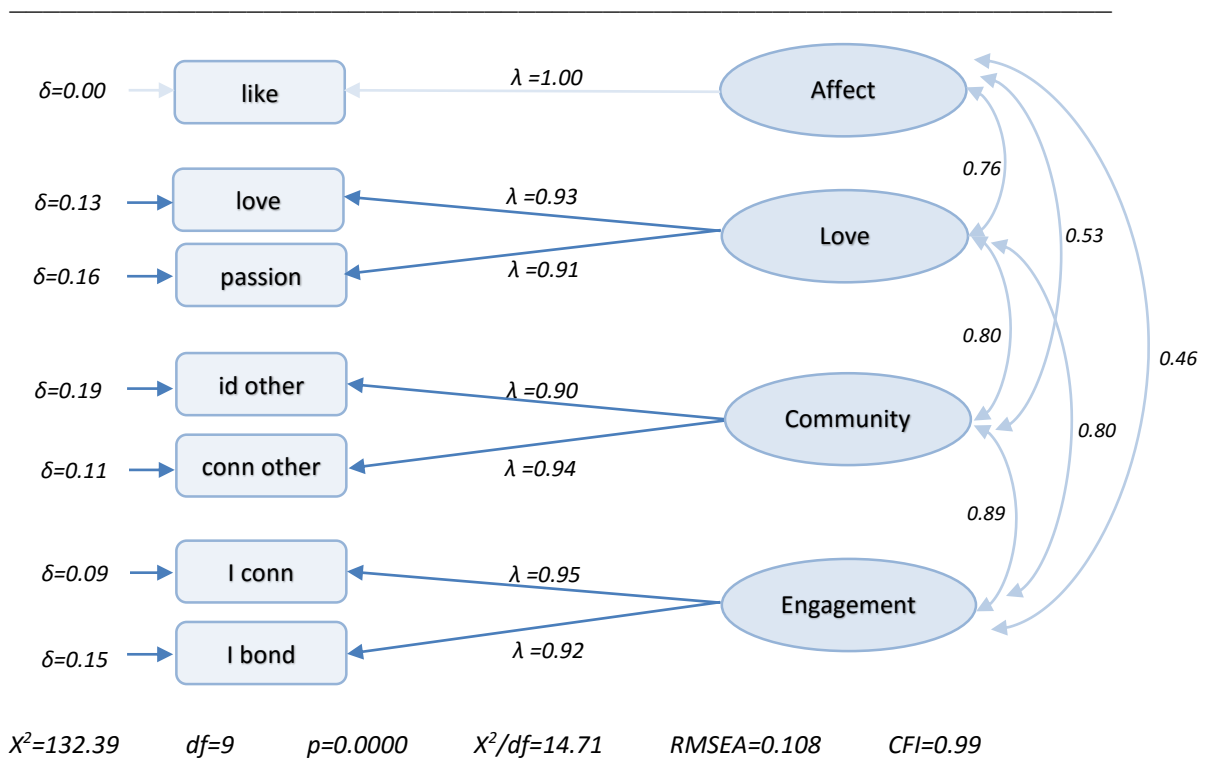
**Table 5.6.** Brand attachment dimensions revealed by principal components analysis with varimax rotation (bold numbers indicate the factor on which each item predominantly loads).

Item	Brand Affect	Brand Passion	Brand Community	Brand Engagement
I like [brand]	<b>0.91</b>	0.34	0.20	0.15
I love [brand]	0.35	<b>0.76</b>	0.27	0.40
I am passionate about [brand]	0.40	<b>0.74</b>	0.36	0.31
I identify with people who use [brand]	0.24	0.32	<b>0.82</b>	0.35
I feel a connection with other [brand] users	0.19	0.24	<b>0.75</b>	0.52
I feel a personal connection between [brand] and me	0.13	0.29	0.42	<b>0.81</b>
I have a special bond with [brand]	0.18	0.31	0.33	<b>0.84</b>

The goodness-of-fit of the structure of the brand attachment construct was verified with CFA. Figure 5.2 shows the resulting path diagram. This path diagram represents brand attachment as consisting of the four dimensions (brand affect, brand love, brand community, and brand engagement). It also shows the extent to which these dimensions are represented by the scale items used in the survey. For instance, brand love is represented by the two items 'I love the brand' and 'I am passionate about the brand'. As we can recall from Text Box 3.3, items are assumed to give a good representation of a concept if the factor loading ( $\lambda$ ) is greater than or equal to 0.7. In the path diagram, we can see that the two items representing brand love have high factor loadings of 0.93 and 0.91, respectively. The error ( $\delta$ ), the extent to which the brand love construct does not explain the variance in the measured item, is low:  $\delta=0.13$  for 'I love', and  $\delta=0.16$  for 'I am passionate'. With the high factor loading and the low error term, the construct reliability of the brand love construct is considerably higher than the norm value of 0.7 (see Text Box 3.3 for further background information):

$$\text{Construct reliability}_{\text{brand love}} = \frac{(\sum_{i=1}^n \lambda_i)^2}{(\sum_{i=1}^n \lambda_i)^2 + (\sum_{i=1}^n \delta_i)} = 0.92.$$

The construct reliability of brand community (CR=0.92) and brand engagement (CR=0.94) are equally high <sup>24</sup>. We can conclude that the items used in the survey give a good representation of the dimension they are supposed to represent.



**Figure 5.2.** CFA: path diagram of the brand attachment construct.

The indicators at the bottom of the diagram measure the goodness-of-fit of the model: the extent to which the brand attachment construct is represented by its four dimensions brand affect, brand love, brand community, and brand engagement. A CFI > 0.92 and a RMSEA < 0.08 are indicators of a good fit. The model provides a good fit (CFI=0.99), but the RMSEA is relatively high. This is an indication of variability in the actual data that is not explained by the model. Here, the RMSEA > 0.08 seems to provide an indication of the conceptual difference between brand affect and the other three dimensions of brand attachment. This can be seen from the covariances expressed at the right-hand side of the path diagram. The interconstruct correlation between brand love, brand community, and brand engagement is high. Particularly the high correlation between brand community and brand engagement (corr.=0.89) was to be expected: both constructs represent a connection between the consumer and the brand (see Section 2.7). But brand affect shows a somewhat lower correlation with brand love (corr.=0.76), and particularly with the brand connection dimensions (corr.=0.53 with community and corr.=0.46 with engagement).

Brand attachment is the emotional attachment of an individual with a brand. It expresses the relationship that an individual feels with a brand. The analysis confirms that brand attachment is represented by the four dimensions predicted by theory: brand affect, brand love, brand community, and brand engagement.

The results indicate a difference between brand affect and the other three brand attachment dimensions (brand love, brand community, and brand engagement). Affect defines a more general evaluation of the brand, hence conceptually closer to an indication of the overall attitude toward the brand. The item used to measure brand affect, "I like ...", has been referred to as an indicator for attitude (Holbrook & Hirschman, 1982; Wilkie &

<sup>24</sup> Factor loading for brand affect is 1.0. As one-item construct, brand affect is 100% represented by the item that was used to measure brand affect. Hence, assessment of the construct reliability of brand affect is irrelevant.

Pessemier, 1973). We conclude that brand affect represents a relatively weak attachment to the brand, whereas the other three dimensions are indicators for a stronger emotional response of the individual with the brand. The difference we found between these constructs is in line with the earlier observation that a strong emotional attachment results in a rich set of affectively laden schemas that link the brand to the self, whereas a favorable attitude alone does not necessarily link the brand to the self (Thomson, MacInnis, & Whan Park, 2005).

The central purpose of this study is concerned with (brand) values, not with the creation of a brand attachment construct. Further exploration of the conceptual differences between indicators of weaker brand attachment (e.g., brand affect) and indicators of stronger brand attachment (e.g., brand love, brand community, and brand engagement) merits attention, but it is beyond the purpose of this study. Brand attachment as used here presents a reasonable fit with the variability observed in the underlying items, and incorporates a good deal of the conceptual richness connected with the attachment construct. Therefore, brand attachment will be used as indicator for the relation the consumer experiences with the brand.

### 5.3.2 Brand attachment and brand behavior: descriptives

Table 5.7 presents the descriptives of the brand attachment and brand behavior dimensions, over all individuals in the test. Ratings were derived from the items representing the dimensions, with weights derived from the factor loadings of each item. For instance, for *brand passion*, first an individual rating was obtained for the items *I love [this brand]*, and *I am passionate about [this brand]*. If the individual rates *I love [this brand]* = 3 and *I am passionate about [this brand]* = 4, then we get the following individual rating for brand passion:

$$\frac{(0.93 \times I \text{ love}) + (0.91 \times I \text{ am passionate})}{0.93 + 0.91} = \frac{(0.93 \times 3) + (0.91 \times 4)}{0.93 + 0.91} = 3.49.$$

The individual's brand attachment was calculated as the (weighted) average of the four brand attachment dimensions<sup>25</sup>.

**Table 5.7.** Brand attachment and brand behavior in numbers.

Brand attachment (BAtt)	Mean	Std. Deviation	n	95% Conf. Interval
Brand affect	3.459	1.280	353	[3.320, 3.598]
Brand passion	2.433	1.199	346	[2.303, 2.563]
Brand community	2.057	1.131	343	[1.934, 2.180]
Brand engagement	1.809	1.065	345	[1.693, 1.924]
<b>Brand attachment (overall)</b>	<b>2.231</b>	<b>1.014</b>	<b>325</b>	<b>[2.127, 2.336]</b>
Brand behavior	Mean	Std. Deviation	n	95% Conf. Interval
Behavioral intention (BI)	2.523	1.337	328	[2.238, 2.667]
Word-of-mouth (WoM)	2.931	1.347	346	[2.788, 3.073]

Table 5.7 presents the sample means for each construct. These were calculated by averaging all individual results, over all brands in the test. For instance, the sample mean

<sup>25</sup> These weights were derived with CFA, by taking the factor loading of each dimension on the brand attachment construct.

for brand passion of 2.433 is the average of all individual ratings for brand passion. The table demonstrates that the average brand affect is higher than the average brand passion. Apparently, it is easier for a brand to be liked than to be loved. The creation of engaged customers, and customers who feel connected with other users of the brand, seems to be even more difficult to realize. These results show that a stronger form of brand attachment, a stronger relation with the brand, is more difficult to attain.

Table 5.7 also shows results for behavioral intention<sup>26</sup> and intended word-of-mouth. According to linkage 2 of the BVM (see Figure 5.1), a stronger attachment to the brand leads to a higher intention to spread word-of-mouth, and a higher intention to buy or use the brand. This expected relation is confirmed by the regression analysis presented in Table 5.8.

**Table 5.8.** Brand attachment leads to brand behavior.

Regression model	t-value	F-ratio	R <sup>2</sup>
BI = 0.200 + 1.033 × BAtt	$t(308) = 22.47; p < 0.001$	$F(1,308) = 504.91$	0.620
WoM = 0.792 + 0.959 × BAtt	$t(323) = 18.65; p < 0.001$	$F(1,323) = 348.10$	0.517

In the following sections, the impact of brand values on brand attachment will be assessed, with the brand attachment construct validated in this section. But before doing so, it is necessary to validate the structure of the perceived value profile of a brand. This is presented in the next section.

## 5.4 The brand value profile

*The structure of the brand value system, the perceived value proposition of the brand, is similar to the structure of the consumer's value system. (Proposition 3).*

### 5.4.1 The structure of the brand value profile

Each consumer has a Value Compass guiding his behavior as a consumer. In Chapter 3, we proposed that the values in the Value Compass are organized as a circular structure of compatible and conflicting value types. This value system is organized along two central dimensions: *fun versus function*, and *promotion of self-interests versus care for others*. Since value priorities differ between consumers, we expect that different consumers exhibit different behavior. For instance, some consumers might consider fun and excitement more important whereas others are looking for honesty and safety.

Proposition 3 was derived in Section 2.6. According to this proposition, consumers perceive the value proposition of a brand as having the same structure as their own Value Compass. For example, suppose a consumer considers a travel agency because of the wildwater rafting trips or backpack holidays it offers. He might expect this travel agency to be strong in providing fun and stimulation, but opposing values such as offering safety, efficiency, or convenience might be less relevant for the image of the travel agency. And probably this consumer is not interested in the latter values, if he is looking for fun and excitement: we expect that the consumer, consciously or subconsciously, will be looking for a match between his own value priorities and the value profile of the travel agency. The potential of this match between the value priorities of the consumer and the value profile of a brand will be discussed later. Now, it is relevant to make the observation that, following Proposition 3, the consumer is expected to interpret the value profile of the travel agency

<sup>26</sup> Behavioral intention consists of two items: *I will buy [brand X] the next time I use [this product]* ( $\lambda = 0.90$ ,  $\delta = 0.19$ ), and *I intend to keep buying [brand X]* ( $\lambda = 0.92$ ,  $\delta = 0.16$ ). Construct reliability is high: CR = 0.90.

as a coherent structure of compatible and conflicting brand values, organized according to a structure identical to his own Value Compass. Consequently, Proposition 3 leads us to the following hypothesis:

**H<sub>5.1</sub>: The structure of a brand value profile is equal to the structure of the Value Compass.**

### **Test of Hypothesis 5.1.**

**Method.** *The study of the structure of the brand value profile is based on the data resulting from the survey described in Section 5.2. Below, we describe the analysis that was carried out based on these data, and the outcomes of the study.*

**Analysis.** *The hypothesis assumes equality between the structure of the Value Compass (the personal value system) and the brand value profile (the brand value system). Confirmatory factor analysis (CFA) provides an instrument to test equality between structural models: multigroup structural equation modelling (Hair et al., 2006). CFA was used to test the assumption that the structure of the Value Compass is equal to the structure of the brand value profile. Framed in terms of CFA: the Value Compass and the brand value profile have equal structure if the CFA model in which the structure of the relationships between value types is constrained to be equal in both systems fits as well as the CFA model in which the structure is allowed to be different between the two systems (Hair et al., 2006). The statistical software package Lisrel was used to analyze the CFA models.*

*For comparing the equality of two models, a stepwise procedure can be used (Hair et al., 2006). First, we defined the factors (value types) of the Value Compass and the brand value profile. For the Value Compass, personal value items were assigned to their value types as specified in Table 5.1. The brand value items then were forced into the same structure, by creating brand value types identical to the personal value types of the Value Compass. Example: the personal value type prestige consists of the personal value items being successful, status, and power. Consequently, we defined the brand value type prestige as being represented by the brand values being successful, status, and power. As a result, a brand value profile was created consisting of exactly the same value types as the Value Compass. After proposing a factor structure for the two value systems, CFA was used to test whether this factor structure creates a good fit with the actual survey results. Thus, we tested if the Value Compass has a good fit when it is organized as a value system consisting of eight value types, a test similar to the goodness-of-fit test mentioned in Section 5.2<sup>27</sup>. This test was labelled Subhypothesis A1. We also tested whether the brand value profile can be organized as a value system with the same eight value types (Subhypothesis A2). Support for subhypothesis A1 and A2 validates the structure of the Value Compass and the brand value profile, but it does not confirm that these structures are equal. For supportive evidence that these two structures are actually equal, a number of subsequent tests need to be executed (Hair et al., 2006):*

- 1. Test whether both systems can be represented by the same eight factors (subhypothesis B: the combination of hypothesis A1 and A2).*
- 2. Test of equality of factor loadings for both systems (subhypothesis C).*
- 3. Test of equality of factor structures and error variances (subhypothesis D).*
- 4. Test of equality of factor structures, measurement errors, and interrelations between factors (subhypothesis E).*

*Each subsequent subhypothesis puts stricter constraints on system equality. If each subhypothesis is supported, then we have confirmation for the (overarching) hypothesis 5.1.*

### **Results.**

*The test results for each subhypothesis are presented in Table 5.9. For support or rejection, the same criteria were used as mentioned in Text Box 3.3 (RMSEA  $\leq$  0.08 with CFI  $\geq$  0.92).*

---

<sup>27</sup> The short version of the Value Compass consists of nine factors. However, Lisrel can perform a multigroup structural equation modelling procedure for models with factors consisting of more than one item, and the value types honesty and safety consist of only one item. To enable Lisrel to perform the analysis, these two closely related value types had to be combined into one factor.

**Table 5.9.** Testing the equality of structure of the Value Compass and the brand value profile.

<b>Model</b>	<b>(Sub)hypothesis</b>	<b><math>\chi^2</math></b>	<b>df</b>	<b>RMSEA</b>	<b>CFI</b>	<b>Decision</b>
A1	Value Compass (PV system) consists of eight factors	952.9	202	0.070	0.963	
A2	Brand value profile (BV system) consists of eight factors	1210.8	202	0.082	0.979	
B	Eight factors exist for both systems (PV and BV)	2155.4	404	0.076	0.974	Supported
C	The two systems' factor loadings are equal	2196.2	419	0.075	0.974	Supported
D	There are equal factor loadings for both systems <b>AND</b> the errors are equal for both systems	2285.4	442	0.075	0.973	Supported
E	There are equal factor loadings for both systems <b>AND</b> the errors are equal for both systems <b>AND</b> the systems have equal factor variances and covariances	2581.2	478	0.077	0.970	Supported

The tests show that each hypothesis is supported. Equality of the PV system and the BV system is confirmed<sup>28</sup>.

The results of the analysis confirm the hypothesis. The structure of the consumer's value system (the Value Compass) is equal to the structure of the perceived value proposition of the brand (the brand value profile). This implies that both the consumer's value system and the brand value profile can be described with the same value types, related to each other in the same circular structure of compatible and conflicting value types. In both systems, this circular structure is organized along the two dimensions *fun versus function* and *promotion of self-interests versus care for others*.

The evidence of the equality between these two systems is important. It implies that not only human values, but also values attributed to objects (i.e., non-human entities), here brands, can be represented by a similar structure of compatible and conflicting value types. When assessing the effect of brand values on choice behavior, we can apply the same value types and the same structure to the brand value profile as to the consumer's Value Compass. This conclusion has consequences for the profiling of brands. In the next subsection, we illustrate this with a number of examples.

#### **5.4.2 Illustration of the use of brand value profiles**

Values help to give meaning to a brand (Gutman, 1982), and these brand values form an important aspect of the brand image (Keller, 2008). Now that we have provided evidence for the structure of the brand value profile, we can use this structure to analyze brand image. In this section, we included a number of examples of the use of brand value profiles. We used examples with brands that were included in the survey. In Example 1, we take a closer look at the value profiles of two brands (Toyota and Disney). Example 2 presents a comparison of two value types (*social responsibility* and *prestige*) across a number of

<sup>28</sup> Additional support can be found by looking at the change in CFI. A more constrained model is assumed equivalent to a less constrained model, if CFI deteriorates with less than 0.01 (Cheung & Rensvold, 2002), as is the case here: moving from model B to model C,  $\Delta CFI = 0.000$ ; from C to D,  $\Delta CFI = -0.001$ , and from D to E,  $\Delta CFI = -0.003$ .



brands. The last example shows how competitors can be compared based on their value profiles. We make a comparison between three car brands: Audi, Toyota, and Volvo.<sup>29</sup>

For the construction of the brand value profiles, we used the results of the survey described in Section 5.2. The score for each brand value type was estimated as the weighted average score of the brand value items by which it is represented, similar to the procedure followed to construct personal value types: weights were derived from the factor loadings of the marker values, as explained in the method section of this chapter. We demonstrated in the previous section that the structure of the brand value profile is identical to the structure of the consumer's value system. Consequently, when estimating a brand value type, we can apply the same weights and factor loadings to its marker values as those estimated for the corresponding personal value type.

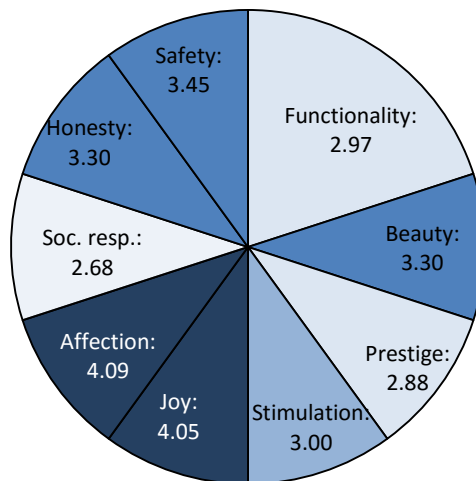
**Example 1: two examples of brand value profiles**

In the figures below, two brand value profiles are shown: the brand value profile of Disney and the brand value profile of Toyota. In these figures, we refer to the average brand value rating of a brand, that is calculated as the unweighted average of the separate value types. This average level of brand values represents the overall strength of a brand. Stronger brands manage to create a richer set of associations, consequently, a higher level of associated brand values.

*Disney*

For Disney, the average score on the nine brand value types together is 3.37. Two brand values stick out in the value profile of Disney: *joy* and *care & affection*. Disney apparently incorporates the possibility to enjoy time together with friends and family. There is an emphasis on the 'now': with Disney one can enjoy now, but the brand does not emphasize a better future quality of life (rating for *social responsibility* is low).

**Disney: average BV = 3.37**



**Figure 5.3.** Brand value profile of Disney.

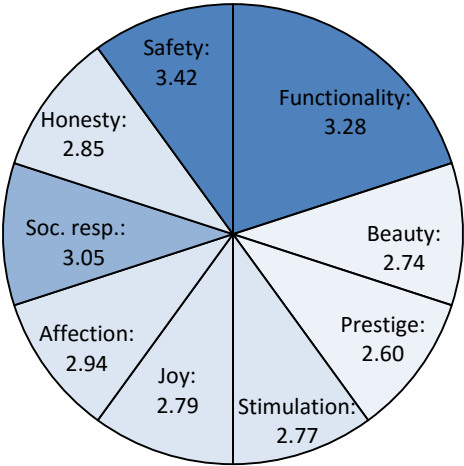
*Toyota*

Toyota is a functional, safe car: Figure 5.4 shows the highest scores in *safety* and *functionality*. The brand is also seen as relatively sustainable (high *social responsibility*). Toyota is not characterized as a fun, esthetically appealing (beautiful), or prestigious brand. If we compare the value profile of Toyota with Disney, then we see that the overall perceived brand strength of Toyota (mean brand value rating 2.94) is lower than Disney's

<sup>29</sup> For the examples, all brand evaluations were used, as was pointed out previously in Footnote 21.

brand strength (rating 3.37). Disney managed to realize a richer set of associations with the brand name, resulting in a higher overall brand value rating.

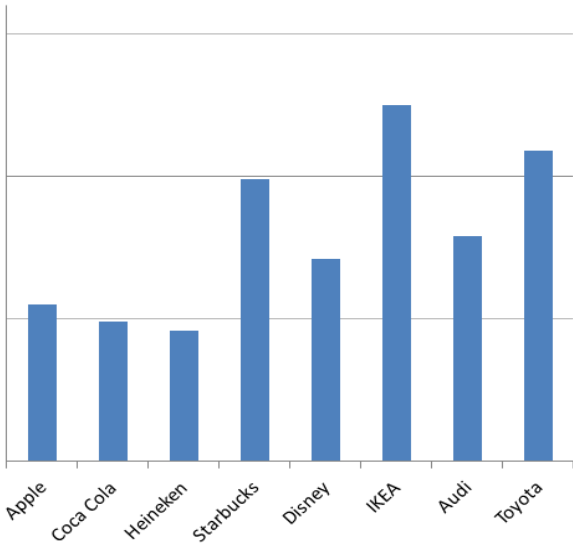
**Toyota: average BV = 2.94**



**Figure 5.4.** Brand value profile of Toyota.

**Example 2: Comparison of brands on brand values**

Brands can be compared on their brand values. Figure 5.5 compares a number of brands on the extent to which they are perceived as socially responsible brands.



**Figure 5.5.** Comparison of brands on social responsibility values.

IKEA, Toyota, and to a lesser extent Starbucks are seen as brands with a relatively strong sense of responsibility. Apple, Coca Cola and Heineken are not characterized as socially responsible brands.

For the same brands we also compared their *prestige* values. Apple, Starbucks, and particularly Audi are considered as brands offering prestige. Toyota, the second most sustainable brand in Figure 5.5, appears to be the least prestigious brand in Figure 5.6.

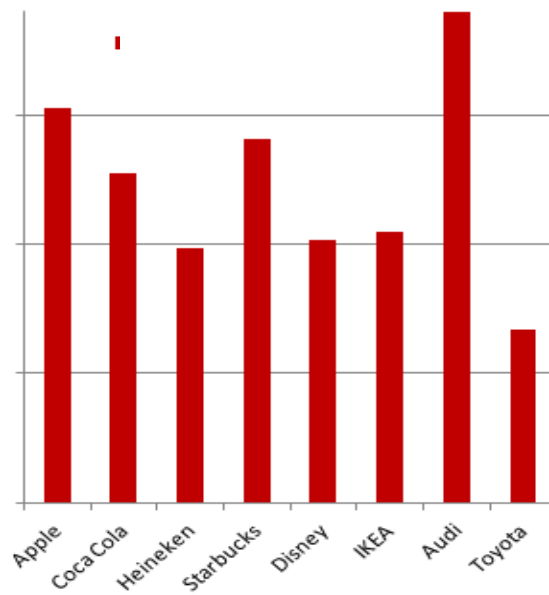


Figure 5.6. Comparison of brands on prestige values.

### Example 3: Comparison of brand value profiles of Audi, Volvo and Toyota

This example illustrates an alternative way of comparing brand value profiles. Figure 5.7 presents a comparison of a number of car brands.

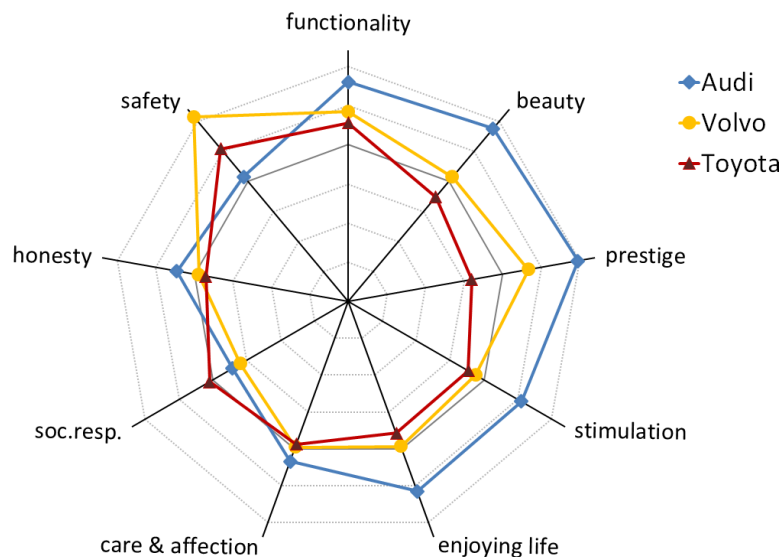


Figure 5.7 Comparison of brand value profiles of car brands.

Audi is a relatively strong brand: the brand rates high on most brand values. Audi distinguishes itself as a functional and prestigious brand with an important esthetic value (*beauty*). Audi is also a brand with a high hedonic value (*joy, stimulation*). In short, Audi provides functionality, pleasure and status. The brand's score on these values is clearly higher than the other two brands in the comparison. In terms of *care & affection* (e.g., care for the fellow passengers), the value profiles of the three brands are more similar.

Volvo is seen as a safe car. Compared with Toyota, Volvo is also more prestigious. Toyota distinguishes as the brand with the strongest social responsibility.

## **5.5 The relation between brand values, brand attachment, and behavior**

*Brand values stimulate the relationship between the consumer and the brand by creating an emotional attachment to the brand. Brand attachment, in turn, results in an intention to buy or use the brand (Proposition 4).*

The relation between brand values and brand attachment, as proposed by linkage 1 of the BVM (Figure 5.1), is explored in Subsection 5.5.1. In Subsection 5.5.2, the focus is on the mediating influence of brand attachment on the intention to buy or use the brand.

### **5.5.1 The influence of brand values on brand attachment**

Brand values are the perceived value proposition of the brand. Brand values can be considered behavioral beliefs: by buying or using a brand, the individual beliefs to obtain the values (e.g., *safety, prestige, pleasure*) proposed by the brand. According to Proposition 4, consumers can be expected to look for brands that propose values that are relevant for them. A stronger brand, that is a brand with a higher value content, is more relevant to the consumer; consumers are expected to be more attached to brands with a higher value content. Therefore:

#### **H 5.2: Brand values correlate positively with brand attachment**

##### **Test of Hypothesis 5.2.**

**Method.** *The results of the survey described in Section 5.2 were used to explore the relation between brand values and brand attachment. Here, we describe the analysis and the outcomes.*

**Analysis.** *A multiple regression analysis was executed on the results of the survey. Brand attachment was used as the dependent variable, and the nine brand value types as independent variables:*

$$BAtt = b_0 + \sum_{i=1}^9 (b_i \times BV_i),$$

*where:            BAtt = Brand Attachment,  
                      BV<sub>i</sub> = Brand Value for value type i.*

*The brand attachment construct was derived in Section 5.3. Each of the brand value types is a weighted average of its marker values, with weights derived from the factor loadings, as specified in Section 5.2.*

##### **Results**

*The multiple regression shows a moderately strong and significant influence of all brand value types together on brand attachment:  $F(9, 265) = 12.726, p < 0.001$ . The regression analysis yields adequate explained variance by the model: (adjusted)  $R^2 = 0.278$ , which means that 27.8% of the variance in brand attachment is explained by brand values. Table 5.10 provides a summary of the regression analysis.*

**Table 5.10.** Multiple regression: impact of brand values on brand attachment.

<b>The tested model</b>	$BAtt = 0.473 + 0.194 \times BV_{Functionality} - 0.076 \times BVM_{prestige} + 0.207 \times BV_{Beauty} + 0.125 \times BV_{Stimulation} - 0.156 \times BV_{Joy} + 0.009 \times BV_{Affection} + 0.193 \times BV_{Soc.resp.} - 0.068 \times BV_{Safety} + 0.166 \times BV_{Honesty}$
<b>Explained variance (adjusted R<sup>2</sup>)</b>	$R^2 = 0.278$
<b>Significance of model fit (F-ratio)</b>	$F(9,265) = 12.726; p < 0.001$
<b>Multicollinearity in the model</b>	Variance Inflation factor (VIF) ranges between 2.05 (brand value type safety) and 2.95 (brand value type prestige).
<b>Assumptions of normality, homoscedasticity and linearity</b>	Analysis of standardized residuals reveals a linear relationship, a normal distribution, and acceptable homoscedasticity.

We observe some multicollinearity between value types: variance inflation factor (VIF) ranges between 2.05 and 2.95. This implies that each value type shares a part of its variance with the other value types in the model. This is not surprising, considering the circular structure of the value model: the value system explicitly assumes interrelations between value types. The observed level of multicollinearity is below the threshold level of VIF = 10 (Hair et al., 2006). However, it is possible that the observed multicollinearity influences results. Therefore, we examined the direct correlations of the independent variables with the dependent variable (Hair et al., 2006): a series of simple regression analyzes was executed, with each  $BV_i$  as independent and  $BAtt$  as dependent variable. The results are shown below.

**Table 5.11.** Impact of each brand value type on brand attachment, in multiple and simple regression (\* indicates a significant relation).

Brand value type	Multiple regression		Simple regression		
	$b_i$	Significance (t)	$b_i$	Significance (t)	$R^2$
Functionality	0.194*	$t = 2.341; p = 0.020$	0.423*	$t = 7.790; p < 0.001$	$R^2 = 0.173$
Safety	-0.068	$t = -1.118; p = 0.264$	0.264*	$t = 5.824; p < 0.001$	$R^2 = 0.099$
Honesty	0.166*	$t = 2.290; p = 0.023$	0.435*	$t = 9.607; p < 0.001$	$R^2 = 0.239$
Soc.Resp.	0.193*	$t = 2.436; p = 0.016$	0.431*	$t = 8.124; p < 0.001$	$R^2 = 0.194$
Affection	0.009	$t = 0.099; p = 0.921$	0.407*	$t = 6.896; p < 0.001$	$R^2 = 0.141$
Enjoying life	-0.156	$t = -1.668; p = 0.096$	0.359*	$t = 4.731; p < 0.001$	$R^2 = 0.110$
Stimulation	0.125	$t = 1.607; p = 0.109$	0.370*	$t = 6.268; p < 0.001$	$R^2 = 0.137$
Beauty	0.207*	$t = 2.709; p = 0.007$	0.330*	$t = 6.491; p < 0.001$	$R^2 = 0.124$
Prestige	-0.076	$t = -0.897; p = 0.379$	0.266*	$t = 4.805; p < 0.001$	$R^2 = 0.071$
Overall R <sup>2</sup> of multiple regression = 0.278					

The multiple regression shows a significant impact of  $BV_i$  on  $BAtt$  for the brand value types functionality, honesty, social responsibility, and beauty, but a non-significant positive or negative impact for the other value types. However, the multicollinearity between brand values masks correlations in the multiple regression: in the simple regression, each brand value shows a positive correlation with brand attachment, tested significantly with  $p < 0.001$ . The variance explained ( $R^2$ ) by each brand value varies from 9.9% for safety to 23.9% for

honesty. The higher impact of brand values such as sustainability and honesty can be due to a higher relevance of these brand values, but it can also be related to the brands used in the sample. This is not elaborated further.

The results of the analysis demonstrate that the presence of brand values correlates positively with brand attachment. A brand with a higher value content, in other words, a stronger brand, is more relevant to consumers: the presence of relevant brand values makes people feel more attached to the brand. This holds true for all the value types in a brand value profile: if a brand manages to improve its perceived value proposition on any of the values of its value profile, without decreasing the value proposition on the other brand values, then this increases brand attachment.

We can illustrate the relation between brand values and brand attachment with the brands in the survey, by looking at the average brand value rating. For each brand, a regression analysis was carried out with brand attachment as the dependent variable, and the average perceived brand value content of these brands as independent variable. The results presented in Table 5.12 demonstrate that a higher average brand value rating is associated with higher brand attachment. With the exception of one brand (Toyota), the correlation between brand values and brand attachment is significant. There are some differences between brands, but this can be related to brand-specific factors, as well as the limited sample size for each brand. We will not explore potential causes here.

**Table 5.12.** Relation between brand values (BV) and brand attachment (BAtt), for the brands in the survey.

Brand	Average BV	BAtt	b	Significance	R <sup>2</sup>
Discovery (n=68)	3.423	2.632	0.444	t = 2.722; p = 0.008	R <sup>2</sup> = 0.086
Audi (n=79)	3.516	2.504	0.874	t = 5.727; p < 0.001	R <sup>2</sup> = 0.286
IKEA (n=79)	3.361	2.463	0.716	t = 5.179; p < 0.001	R <sup>2</sup> = 0.315
Apple (n=56)	2.996	2.432	0.745	t = 5.200; p < 0.001	R <sup>2</sup> = 0.317
Disney (n=62)	3.373	2.352	1.059	t = 8.464; p < 0.001	R <sup>2</sup> = 0.533
Starbucks (n=49)	3.015	2.284	0.779	t = 6.231; p < 0.001	R <sup>2</sup> = 0.433
Nokia (n=56)	2.853	2.236	0.683	t = 4.570; p < 0.001	R <sup>2</sup> = 0.261
BMW (n=82)	3.259	2.142	0.715	t = 6.267; p < 0.001	R <sup>2</sup> = 0.319
Volkswagen (n=62)	3.197	2.050	0.654	t = 4.071; p < 0.001	R <sup>2</sup> = 0.215
Coca Cola (n=67)	2.819	2.053	0.583	t = 5.086; p < 0.001	R <sup>2</sup> = 0.269
Volvo (n=57)	3.126	2.001	0.664	t = 5.200; p < 0.001	R <sup>2</sup> = 0.317
Heineken (n=58)	2.656	1.955	0.607	t = 5.930; p < 0.001	R <sup>2</sup> = 0.369
Sony Ericsson (n=39)	2.833	1.930	0.671	t = 3.961; p < 0.001	R <sup>2</sup> = 0.272
Toyota (n=48)	2.942	1.815	0.178	t = 1.296; p = 0.201	R <sup>2</sup> = 0.014
Facebook (n=45)	2.696	1.745	0.484	t = 4.274; p < 0.001	R <sup>2</sup> = 0.276
Twitter (n=88)	2.545	1.441	0.320	t = 3.528; p < 0.001	R <sup>2</sup> = 0.164

Brand values are the perceived value proposition of a brand. These perceptions are individual, and differ from consumer to consumer. This is illustrated below, for the brands Disney and Heineken. Table 5.13 shows that, despite the relatively low level of social responsibility values attributed to the Disney brand (see example 1 in the previous section), there are also consumers who do consider Disney to be a responsible brand. Consumers who consider Disney a responsible brand (the high social responsibility quartile) feel a higher emotional attachment with the Disney brand than consumers who do not see Disney as a responsible brand (the quartile of consumers who gives the lowest rating to their perception of Disney's social responsibility values). Table 5.14 presents a similar example, but then with the extent to which the brand Heineken is perceived to provide joy. These examples illustrate that differences in the perceived value proposition of a brand exist between consumers, and that these differences correlate with a difference in their attachment to the brand.

**Table 5.13.** *Disney: comparison between low and high perceived social responsibility.*

	Average BV social responsibility	Average BAtt
Disney: low responsibility quartile (n=24)	1.550	1.739
Disney: high responsibility quartile (n=24)	3.874	3.400

**Table 5.14.** *Heineken: comparison between low and high perceived joy values for Heineken.*

	Average BV joy	Average BAtt
Heineken: low joy quartile (n=21)	2.253	1.541
Heineken: high joy quartile (n=20)	4.815	3.050

### 5.5.2 The mediating influence of brand attachment on brand behavior

As implied by Proposition 4, brand values have a positive influence on brand attachment: *“Brand values stimulate the relationship between the consumer and the brand, by creating an emotional attachment to the brand”*. This was demonstrated in the previous section. Proposition 4 then continues with referring to the relation between brand attachment and behavioral intention: *“Brand attachment, in turn, results in an intention to buy or use the brand”*. This suggests mediation: brand attachment is expected to mediate the relation between brand values and brand behavior.

Mediation occurs when the effect of a stimulus on behavior is mediated by other variables (Baron & Kenny, 1986): there is not a direct relation between the independent variable and the dependent variable, but the independent variable influences a mediator variable, which in turn has an impact on the dependent variable. This implies for our study, that the perceived presence of certain brand values (independent variables) creates an emotional attachment to the brand (mediator), which in turn is expected to increase the intention to buy or use the brand, or to spread word-of-mouth (dependent variable). The following example illustrates this mediator effect. Suppose an individual believes that driving a BMW offers a certain prestige to the driver. The prestige value of the BMW makes it an attractive brand to this individual. This person likes the brand. She might become passionate about BMW because of its prestige value, she might identify with other BMW-drivers, or she might even develop the feeling that she has a personal bond with BMW. The stronger her emotional attachment to BMW, the higher the intention to buy the BMW<sup>30</sup>. This leads to the following hypothesis:

**H 5.3: The influence of brand values on brand behavior is mediated by brand attachment**

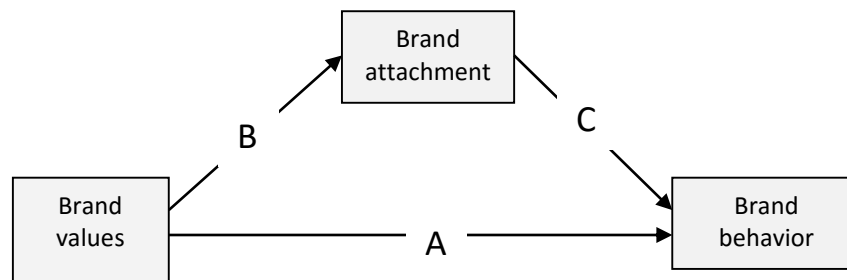
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<sup>30</sup> An intention to buy does not automatically imply that the person will buy a BMW. The actual conversion of intention into actual behavior depends on, for instance, the availability of the necessary budget.

### Test of hypothesis 5.3.

**Method.** The mediator effect of brand attachment on the relation between brand values and brand behavior was analyzed with the data obtained in the survey described in Section 5.2. Below, we describe this analysis.

**Analysis.** The relation between brand values and brand behavior is represented by path A in Figure 5.8. In the hypothesized mediation model, brand values (the independent variable) influence the dependent variable brand behavior through the mediator variable brand attachment (paths B and C). In a mediation model, the strength of the direct relation A decreases when the mediator variable is added to the model.



**Figure 5.8.** The mediating influence of brand attachment on brand behavior.

For the clarity of this analysis, the mediator effect of brand attachment was not tested for each brand value ( $BV_i$ ) separately. Instead, the average brand value rating ( $BV$ ) was used as representing the nine value types. As explained previously,  $BV$  can be interpreted as indicator of the strength of a brand.

Regression analysis should satisfy the assumptions of linearity, homoscedasticity, and normality. A preliminary analysis, however, showed non-normality in the model. A transformation procedure was executed, in which the variable  $BAtt$  (brand attachment) was transformed in its natural logarithm. This type of data transformation can correct violations of the assumptions, without affecting the correlations in the model (Hair et al., 2006). The transformed model satisfied the above-mentioned assumptions, and consequently was used to test the mediator effect. Below, we report results based on the log-transformed variable  $BAtt$ , defined as:  $BAtt^* = \ln(BAtt)$ . In order to keep the interpretation of results intuitively more appealing, we continue to refer in the text to the effect of brand attachment (and not to the effect of the natural logarithm of brand attachment).

The following regression equations were used:

1. First equation represents path A:  $BI = b_0 + b_1 \times BV$
2. Second equation represents path B:  $BAtt^* = b_0 + b_1 \times BV$
3. Third equation represents path C:  $BI = b_0 + b_1 \times BV + b_2 \times BAtt^*$

where:  $BAtt^*$  = (log-transformed) Brand Attachment,  
 $BV$  = Compound Brand Value Construct;  $BV = \frac{\sum_{i=1}^9 BV_i}{9}$ ,  
 $BI$  = Behavioral Intention.

A significant mediation effect is present if the effect of  $BV$  (the independent variable) on  $BI$  (the outcome variable) is less in the third equation than in the first. Perfect mediation holds if the independent variable ( $BV$ ) has no significant effect on the outcome variable ( $BI$ ) in the third equation (Baron & Kenny, 1986).

The mediation effect was tested for the two items representing brand behavior:  $BI$  and  $WoM$  (word-of-mouth). In order to assess the mediator effect on  $WoM$ ,  $BI$  as outcome variable was replaced by  $WoM$  as outcome variable. The significance of the mediation was tested with the Sobel test, a test designed to test the significance of a mediator effect (Baron & Kenny, 1986; Preacher & Leonardelli, 2008).



## Results

The results confirm the hypothesis. The influence of brand values (BV) on behavioral intention (BI) is mediated by brand attachment (BAtt\*). The results are shown in Table 5.16. Mediation is perfect: brand values have no effect when the mediator effect of brand attachment is taken into account.

**Table 5.16.** Brand attachment mediates the influence of brand values on the behavioral intention.

Tested Model	Coefficients	Significance	Variance explained
Path A: $BI = b_0 + b_1 \times BV$	$b_0 = 0.506$ $b_1 = 0.625$	$t_1(268) = 7.224; p < 0.001$	$R^2 = 0.160$
Path B: $BAtt^* = b_0 + b_1 \times BV$	$b_0 = -0.188$ $b_1 = 0.283$	$t_1(273) = 9.839; p < 0.001$	$R^2 = 0.259$
Path C: $BI = b_0 + b_1 \times BV + b_2 \times BAtt^*$	$b_0 = 0.252$ $b_1 = -0.004$ $b_2 = 1.003$	$t_1(256) = -0.058; p = 0.954$ $t_2(256) = 17.24; p < 0.001$	$R^2 = 0.613$
Sobel test:	z-value = 7.80; p = 0.000		

For WoM, a similar result is obtained. The influence of brand values (BV) on word-of-mouth (WoM) is perfectly mediated by brand attachment (BAtt\*):

**Table 5.17.** Brand attachment mediates the influence of brand values on word-of-mouth.

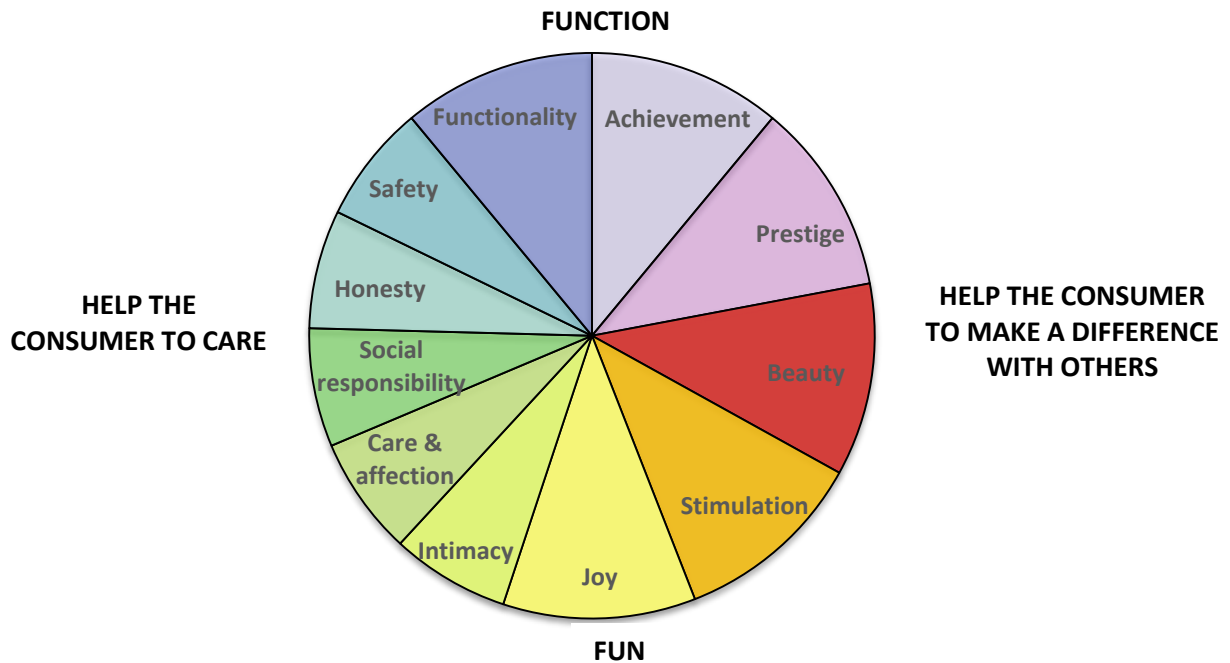
Tested Model	Coefficients	Significance	Variance explained
Path A: $WoM = b_0 + b_1 \times BV$	$b_0 = 0.840$ $b_1 = 0.640$	$t_1(284) = 7.466; p < 0.001$	$R^2 = 0.161$
Path B: $BAtt^* = b_0 + b_1 \times BV$	$b_0 = -0.188$ $b_1 = 0.283$	$t_1(273) = 9.839; p < 0.001$	$R^2 = 0.259$
Path C: $WoM = b_0 + b_1 \times BV + b_2 \times BAtt^*$	$b_0 = 1.257$ $b_1 = 0.031$ $b_2 = 2.154$	$t_1(270) = 0.414; p = 0.679$ $t_2(270) = 15.73; p < 0.001$	$R^2 = 0.558$
Sobel test:	z-value = 8.29; p = 0.000		

The test demonstrates that brand attachment mediates the relationship between brand values and brand behavior. Consumers feel more attached to brands with a higher perceived value content. This increased brand attachment then creates a higher intention to buy or use the brand, and a higher probability that the consumer engages in positive word-of-mouth.

## 5.10 Conclusion

The value proposition of a brand represents the values that are promised by the brand. We demonstrated in this chapter that this value proposition, as perceived by the consumer, should be described in terms of the same values as the value system of the consumer.

Moreover, we demonstrated that the perceived value proposition of a brand has the same logic, and the same structure, as the consumer's value system: the brand value profile consists of a circular structure of values, in which certain values reinforce each other, and other values conflict with each other. In general terms, the perceived value profile of a brand can be modelled according to the structure illustrated in Figure 5.9<sup>31</sup>.



**Figure 5.9.** Structure of the brand value profile.

This chapter also contained an analysis of the impact of brand values on brand behavior. This analysis demonstrated the following:

- Brand values influence consumer behavior
- The influence of brand values on behavior is mediated by brand attachment

Since the influence of brand values on consumer behavior was found to be perfectly mediated by brand attachment, the analysis focused on the relation between brand values and brand attachment. We found that brand values contribute positively to brand attachment: on average, 27.8% of the variance in brand attachment can be explained by its brand values. Consequently, the perceived value proposition of a brand, the extent to which the brand is associated with the brand values presented in Figure 5.9, gives an indication of its brand strength.

<sup>31</sup> This structure is identical to the structure of the Value Compass presented in Chapter 4. In the analysis presented in Chapter 5, the value types *achievement* and *functionality*, as well as the value types *care & affection* and *intimacy* were combined, for reasons explained in Section 5.2.

## 6. Value congruence

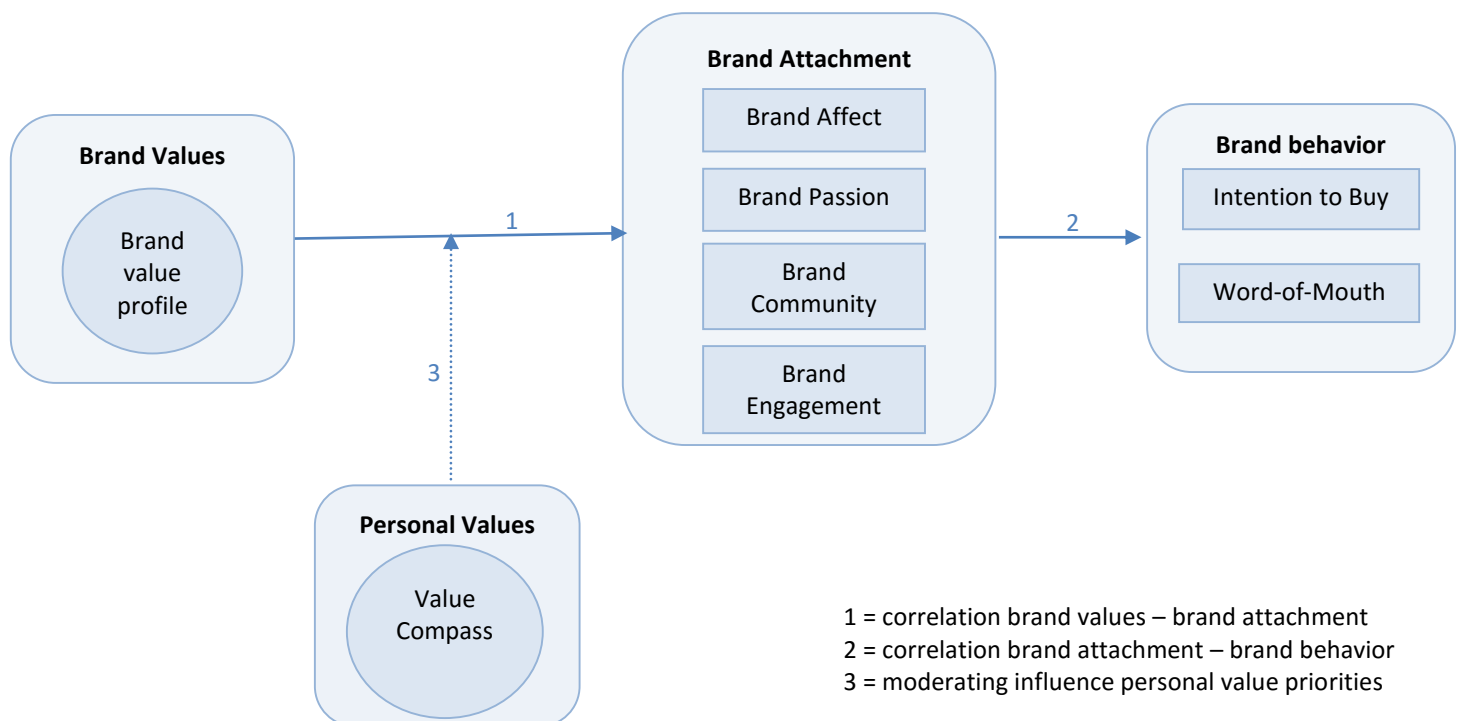
*Brand attachment is stronger with a stronger match between the individual's value system and the perceived brand value profile. This value congruence is more relevant when values are more central to the individual (Proposition 5).*

### 6.1 Introduction

The previous chapter confirmed that brand values influence the buying intentions of consumers. Stronger brands, that is, brands that propose a higher value content, are more appreciated: consumers are more attached to these brands. Higher brand attachment, in turn, results in a higher intention to buy the brand, or to spread positive word-of-mouth about the brand.

The analysis, so far, ignored the potential of value congruence. Following Proposition 5, we expect that value congruence plays an important role for consumer behavior: consumers are expected to be particularly interested in brands that express the same values as the consumer himself considers important. We can illustrate this with the example of the travel agency used in Section 5.4. This travel agency offered wildwater rafting trips and backpack holidays. Hence, the value profile of this travel agency probably emphasizes values such as fun and stimulation. Due to the proposed value congruence effect, we expect that consumers for whom *fun* and *stimulation* are central values will be more attracted to this travel agency than consumers who value, for instance, *safety* or *convenience*.

In this chapter, the impact of value congruence on consumer choice is investigated. This analysis involves linkage 3 of the Brand Value Model (BVM), presented in Figure 6.1. For the analysis, we used the data set described in Section 5.2.



**Fig. 6.1.** Brand Value model (BVM).

Before analyzing the impact of value congruence, it is important to establish whether there is a direct relation between personal values and brand attachment. In other words, is it

possible that consumers with certain value priorities have a natural tendency to prefer branded goods over non-branded goods? If a similar direct relation exists, then it needs to be taken into account when assessing the influence of values on brand attachment. The possibility of this direct relation is explored in Section 6.2. Section 6.3 then gives the test results for the first part of Proposition 5: *brand attachment is stronger with a stronger match between the individual's value system and the perceived brand value profile*. Section 6.4 focuses on the second part of this proposition: *value congruence is more relevant for those values which are more central to the individual*.

## **6.2 Personal Values and Brand Attachment**

An individual's value orientation says something about his personal values, the things he considers important in life. Some people, for instance, have a stronger orientation to family values, others to security or prestige. If somebody places high priority on family values, he might show more interest in brands that help creating a cozy atmosphere. But a certain personal value orientation is not expected to create a strong positive or negative attitude toward branded products in general. Family-oriented people might be sensitive to family-oriented brands, but not all brands contain family values. Hence, we cannot establish a liking or disliking of family-oriented people toward brands in general. Consequently, no correlation is expected between an individual's value orientation and his general disposition toward brands.

There is, however, an exception to this expectation. It has been suggested that people purchase and use brands (in part) to construct their self-concept, and to differentiate themselves from others (Edson Escalas & Bettman, 2005). Consumers buy products and services for themselves, but they also express who they are through their brand choices. It is important to keep in mind that the value of a brand has been described as the differential effect that the brand has on consumer response, as compared to a similar but non-branded product (Keller, 1993). This differential effect can express a certain brand prestige, that might be related to its expected superior quality (in terms of product characteristics or performance), or its aesthetic appeal (e.g., stylish design). But prestige-seeking behavior can also be motivated by the perceived effect of brand possession or brand usage on others: people can impress others by using brands that display status and wealth (Vigneron & Johnson, 1999). It has also been proposed that prestige-sensitive people prefer higher priced products (Richins, 1994; Vigneron & Johnson, 1999), and branded products generally exhibit higher prices than their non-branded equivalents.

Summarized, brands signal prestige, which makes brands susceptible to what has been labelled prestige-seeking consumer behavior (Vigneron & Johnson, 1999). Consumer decision-making processes are partly influenced by this prestige-seeking consumer behavior. Especially prestige-sensitive people engage in this type of consumer behavior, resulting in a higher preference of prestige-sensitive consumers for branded products. This leads to the following hypothesis:

**H 6.1: The personal value *prestige* correlates positively with brand attachment.**

As indicated above, we do not expect a significant correlation with brand attachment for the other personal value types.

## Test of Hypothesis 6.1.

**Method.** The relation between personal values and brand attachment is explored with the data obtained in the survey described in Section 5.2. Here, we present the analysis and the outcomes.

**Analysis.** A stepwise regression analysis was executed on the results of the survey. Brand attachment was used as the dependent variable, and the nine personal value types as independent variables:

$$BAtt^* = b_0 + \sum_{i=1}^9 (b_i \times PV_i),$$

where:  $BAtt^*$  = (Log-transformed) Brand Attachment,  
 $PV$  = Personal Value for value type  $i$ .

The brand attachment construct is a summary construct structured according to the output of the CFA analysis in Chapter 5. Each personal value type is a weighted average of its marker values, with weights derived from the factor loadings, as specified in Sections 4.5 and 5.2.

A preliminary analysis showed non-normality and heteroscedasticity in the model. As in the previous tests, a transformation procedure was executed, in which the dependent variable  $BAtt$  was transformed in its natural logarithm:  $BAtt^* = \ln(BAtt)$ . The transformed model satisfied the assumptions of homoscedasticity and normality, and consequently was used to test the relation between personal values and brand attachment.

### Results

The model yields a small but significant result:  $F(2,316)=10.517$ ;  $p<0.001$ ; adjusted  $R^2=0.057$ . Table 6.1 presents the results.

**Table 6.1.** Impact of consumer values on brand attachment (multiple regression, stepwise method).

<b>The tested model</b>	$BAtt^* = b_0 + b_1 \times PV_{Competence} + b_2 \times PV_{Prestige} + b_3 \times PV_{Beauty} + b_4 \times PV_{Stimulation} + b_5 \times PV_{Joy} + b_6 \times PV_{Affection} + b_7 \times PV_{Soc.resp.} + b_8 \times PV_{Safety} + b_9 \times PV_{Honesty}$	
<b>The resulting model</b>	$BAtt^* = 0.690 + 0.112 \times PV_{Prestige} - 0.079 \times PV_{Honesty}$	
<b>Explained variance (adjusted <math>R^2</math>)</b>	$R^2 = 0.057$	
<b>Significance of model fit (F-ratio)</b>	$F(2, 316) = 10.517$ ; $p < 0.001$	
	$PV_{Prestige}$	$b_2 = 0.112$ , $t = 3.903$ , $p < 0.001$
	$PV_{Honesty}$	$b_9 = -0.079$ , $t = -3.006$ , $p = 0.003$
<b>Statistics for the excluded variables</b>	$PV_{Functionality}$	$b_1 = -0.034$ , $t = -0.517$ ; $p = 0.605$
	$PV_{Beauty}$	$b_3 = 0.085$ , $t = 1.309$ ; $p = 0.192$
	$PV_{Stimulation}$	$b_4 = 0.063$ , $t = 0.980$ ; $p = 0.328$
	$PV_{Joy}$	$b_5 = -0.014$ , $t = -0.203$ ; $p = 0.839$
	$PV_{Affection}$	$b_6 = 0.092$ , $t = 1.405$ ; $p = 0.161$
	$PV_{Soc.resp.}$	$b_7 = 0.000$ , $t = 0.008$ ; $p = 0.994$
	$PV_{Safety}$	$b_8 = -0.037$ , $t = -0.620$ ; $p = 0.536$
<b>Multicollinearity in the model</b>	There is no important multicollinearity in the model: $VIF = 1.027$	
<b>Assumptions of normality, homoscedasticity and linearity</b>	The model (with log-transformed $BAtt$ ) meets the assumptions of normality, homoscedasticity, and linearity.	

The explanatory power of the model is low: adjusted  $R^2 = 0.057$ . The impact of an individual's value orientation on the evaluation of branded products and services in general is low. As

predicted, prestige-sensitivity has a positive impact on BAtt. We also observe a relation that was not hypothesized: the personal value honesty correlates negatively with brand attachment. The other value types do not show significant regression coefficients.

To further explore the relation between PV and BAtt, a series of simple regressions were executed, with PV as independent and BAtt as dependent variable: see Table 6.2.

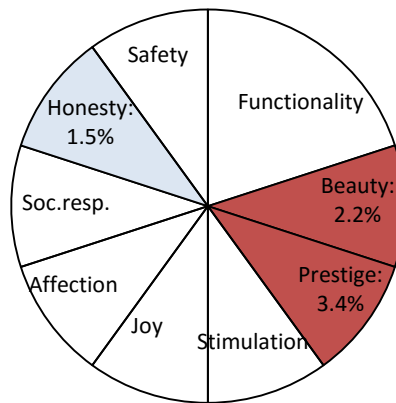
**Table 6.2.** Impact of consumer values on brand attachment, for each value separately (simple regression; significant relations printed in bold).

PV	b	Significance (t)	R <sup>2</sup> (adjusted)
Functionality	-0.009	t = -0.264; p = 0.789	R <sup>2</sup> = -0.003
Safety	-0.029	t = -1.222; p = 0.222	R <sup>2</sup> = 0.001
<b>Honesty</b>	<b>-0.063</b>	<b>t = -2.539; p = 0.012</b>	<b>R<sup>2</sup> = 0.015</b>
Social responsibility	-0.015	t = -0.574; p = 0.566	R <sup>2</sup> = 0.002
Affection	0.016	t = 0.564; p = 0.573	R <sup>2</sup> = 0.002
Joy	0.012	t = 0.405; p = 0.686	R <sup>2</sup> = 0.002
Stimulation	0.055	t = 1.839; p = 0.067	R <sup>2</sup> = 0.007
<b>Beauty</b>	<b>0.084</b>	<b>t = 2.985; p = 0.003</b>	<b>R<sup>2</sup> = 0.022</b>
<b>Prestige</b>	<b>0.098</b>	<b>t = 3.711; p &lt; 0.001</b>	<b>R<sup>2</sup> = 0.034</b>

BAtt is significantly influenced by PV prestige, as predicted. Besides this expected relation, there is a significant positive impact of PV beauty, and a significant negative impact of PV honesty on BAtt.

The results confirm hypothesis 6.1. Prestige-sensitive people are significantly more attached to branded products. As proposed earlier by Vigneron and Johnson (1999), prestige-sensitivity makes people relate to brands, leading to a more positive brand attachment. Consequently, the potential of creating brand connections (e.g., brand communities) can be expected to be (somewhat) higher with prestige-sensitive individuals. But we have to take into account that prestige-sensitivity does not have a large impact on brand attachment: only 3.4% of the reported variance in brand attachment is explained by prestige-sensitivity. Contrary to our expectations, the findings indicate other small, but significant, relations between consumer values and brand attachment. Consumers that value *beauty* are, similar to prestige-sensitive consumers, more attracted to brands; an orientation toward *honesty*, on the other hand, results in a lower brand attachment. For the other value types, there is no significant impact of an individual's value orientation on brand attachment.

The observed relations are small but significant. The outcomes demonstrate that impact of an individual's value orientation on his consumer behavior follows the pattern of compatibilities and conflicts proposed by the Value Compass: promotion of self-interests (neighboring value types *beauty* and *prestige*) stimulates the attachment to brands, whereas the opposing value type *honesty* results in a lower appreciation of brands (see Figure 6.2). The observed effects are significant, but relatively small. It is important to highlight that these effects do not take the possibility of value congruence into account. A customer's value priorities might not create strong love or rejection for branded products in general, but this does not exclude the possibility that he will feel attached to those brands whose value profile matches with his own value priorities. The influence of value congruence is explored in the next section.



**Figure 6.2.** Personal values with a significant impact on brand attachment: percentages reflect explained variance (positive relation in dark red, negative relation in light blue).

### 6.3 Value congruence

*Brand attachment is stronger with a stronger match between the individual's value priorities and the perceived brand value profile. (Proposition 5A).*

In Section 2.8, self-congruence was defined as the match between an individual's self-concept and the image of the brand. Consumers form affect-laden relationships with brands that match their personality, a match that provides a means to create or support the consumer's identity. The influence of self-congruence on the relation between the individual and the brand was confirmed in a number of studies, see Section 2.8. Particularly noteworthy is a study by Kressmann et al. (2006). In this study, a model was developed that demonstrates the effects of self-congruence on brand loyalty. Brand personality aspects were used in this study as indicators for brand image. Respondents had to rate brands on these brand personality aspects (e.g., 'Indicate to what extent the personality attribute intelligent applies to the brand BMW'). After doing so, they had to apply the same personality aspects to themselves ('To what extent do you consider yourself to be intelligent?'). Self-congruence was computed in this study by using the absolute difference scores between each brand personality rating and its corresponding self-image rating, and then averaged across all personality attributes for each respondent:

$$\text{self-congruence} = \frac{\sum_{i=1}^n |BI_i - SI_i|}{n},$$

where  $BI_i$  = brand image aspect  $i$ ,  
 $SI_i$  = self-image aspect  $i$ ,  
 $n$  = number of image aspects.

By using this model, Kressmann et al. (2006) found that self-congruence has a positive influence on the relation between the individual and the brand.

In Section 2.8, the concept of value congruence was defined as a specific application of self-congruence. Value congruence implies that brands are more relevant to the individual if the perceived brand values have a better match with the individual values. Hence, we expect value congruence to have a positive influence on brand attachment. Following the

previously used example of the travel agency offering exciting holidays like wildwater rafting, we can imagine that a person who values adventure and excitement will experience value congruence and, consequently, will feel attached to this travel agency. On the other hand, a consumer who likes fully organized holidays in the sun in a safe all-inclusive resort probably feels value incongruence with this agency. This consumer will likely avoid this travel agency. This leads to the following hypothesis:

## H<sub>6.2</sub>: Value congruence results in higher brand attachment.

To test the effect of value congruence, a variant of the model of Kressmann et al. is used. Instead of self-image aspects, we focus on the value types of the Value Compass. As demonstrated previously (in Section 5.4), the brand value profile has the same structure as the consumer's value system, and contains the same value types. Therefore, the score for each brand value can be compared with the score for the corresponding consumer value. For instance, measuring the effect of value congruence on brand attachment in the example of the travel agency would imply comparing statements such as '*Excitement is important for me*' with a statement like '*The travel agency represents excitement*'. Following this procedure, congruence can be calculated in a similar vein as in the model of Kressmann et al. (2006), by replacing the brand image and self-image aspects with brand values and personal values:

$$\text{value congruence} = \frac{\sum_{i=1}^n |BV_i - PV_i|}{n},$$

where  $BV_i$  = brand value type  $i$ ,  
 $PV_i$  = personal value type  $i$ ,  
 $n$  = number of value types.

### Test of hypothesis 6.2.

**Method.** The effect of value congruence on brand attachment is explored with the data obtained in the survey described in Section 5.2. Below, we describe the results of the test of the hypothesis.

**Analysis.** A regression analysis was executed on the results of the survey. Brand attachment was used as the dependent variable, and value congruence as independent variable:

$$BAtt^* = b_0 + b_1 \times VC,$$

where:  $BAtt^*$  = (Log-transformed) Brand Attachment,  
 $VC$  = Value Congruence, defined as  $VC = \frac{\sum_{i=1}^9 |BV_i - PV_i|}{9}$ .

Brand attachment is a summary construct structured according to the output of the CFA analysis (fig 5.2). Log transformation was applied to correct for non-normality and heteroscedasticity. Value congruence is calculated as the difference between the scores on the brand value type and the corresponding personal value type, for each of the nine value types of the shorter version of the Value Compass. The value type scores are a weighted average of their marker values, with weights derived from the factor loadings (see Sections 4.5 and 5.2).

A low value of  $VC$  implies high value congruence. For instance, a brand with a high prestige value (high  $BV$ ) is expected to be valued by a person who considers prestige important (high  $PV$ ). In this case  $|BV - PV|$  will be low. Higher value congruence, hence a lower score on  $VC$ , is expected to result in a higher brand attachment. Consequently, a negative coefficient for  $b_1$  is expected.



### Results.

The effect of value congruence on brand attachment is significant. The effect is meaningful: (adjusted)  $R^2 = 0.168$ , which means that 16.8% of the variance in brand attachment is explained by value congruence. The results are presented in Table 6.3.

**Table 6.3.** Impact of value congruence on brand attachment.

<b>The model</b>	$BAtt^* = 1.016 - 0.327 \times VC$
<b>Explained variance (adjusted <math>R^2</math>)</b>	$R^2 = 0.168$
<b>Significance of model fit (F-ratio)</b>	$F(1,245) = 50.646, p < 0.001$ $t_{VC} = -7.117, p < 0.001$
<b>Multicollinearity in the model</b>	Not relevant in a regression with one independent variable.
<b>Assumptions of normality, homoscedasticity and linearity</b>	The model (with log-transformed BAtt) meets the assumptions of normality, homoscedasticity, and linearity.

The regression presented above was on an aggregate level, taking all value types together. Further regression analyses were executed for each value type of the Value Compass separately. The purpose of these analyses was to establish whether a congruence effect can be found for each value type of the Value Compass. The results are shown in Table 6.4.

**Table 6.4.** Impact of value congruence on brand attachment, for each value type separately.

Model	Significance	Variance explained
$BAtt^* = 0.84 - 1.66 \times VC_{Competence}$	$t(302) = -5.08, p < 0.001$	$R^2 = 0.076$
$BAtt^* = 0.79 - 0.08 \times VC_{Safety}$	$t(330) = -3.64, p < 0.001$	$R^2 = 0.036$
$BAtt^* = 0.95 - 0.17 \times VC_{Honesty}$	$t(311) = -8.51, p < 0.001$	$R^2 = 0.187$
$BAtt^* = 0.82 - 0.09 \times VC_{Soc.resp.}$	$t(300) = -3.35, p < 0.001$	$R^2 = 0.033$
$BAtt^* = 0.85 - 0.15 \times VC_{Affection}$	$t(304) = -5.24, p < 0.001$	$R^2 = 0.080$
$BAtt^* = 0.85 - 0.18 \times VC_{Joy}$	$t(317) = -5.42, p < 0.001$	$R^2 = 0.082$
$BAtt^* = 0.79 - 0.10 \times VC_{Stimulation}$	$t(320) = -3.22, p < 0.001$	$R^2 = 0.028$
$BAtt^* = 0.79 - 0.10 \times VC_{Beauty}$	$t(315) = -3.11, p < 0.001$	$R^2 = 0.027$
$BAtt^* = 0.79 - 0.11 \times VC_{Prestige}$	$t(319) = -3.23, p < 0.001$	$R^2 = 0.029$

Value congruence for each value type correlates negatively with brand attachment, tested significantly with  $p < 0.001$ . As explained above, a negative correlation implies higher value congruence. We can conclude that a higher brand attachment is observed when the values attributed to a certain brand match the personal values of the respondent. There are important differences in the strength of the congruence effect: the variance explained ( $R^2$ ) varies from 2.7% (value type beauty) to 18.7% (value type honesty). The impact of value congruence seems a lot more important for the value type honesty than for the other value types. However, we need to take into consideration that honesty is considered the most important value priority by most respondents, and this can influence the relevance of value congruence for this value type. An in-depth analysis of the relationship between value congruence and brand attachment for each value type is beyond the purpose of this study. However, a couple of examples are provided as illustration at the end of the next section.

Hypothesis 6.2 is confirmed. The test demonstrates that value congruence, the match between the values proposed by a brand and the personal value priorities, results in a stronger brand attachment.

#### **6.4 The moderating effect of value centrality**

*Value congruence is more relevant when values are more central to the individual (Proposition 5B).*

Evidence was presented in the previous section for the positive effect of value congruence on brand attitude: consumers experience a stronger relationship with a brand when there is a match between their personal values and the brand values. In case of a mismatch (value incongruence), there is a negative influence on brand attachment. A similar effect was reported by the few other studies that focused on value congruence (Torelli et al., 2008, 2012; Zhang & Bloemer, 2008, 2011).

A moderating effect related to congruence was proposed by Kressmann et al. (2006) when they incorporated the perceived importance of an attribute in their self-congruity construct. In their model, the effect of self-congruence is stronger when the attribute is a more important aspect of the individual's personality. Proposition 5B points to a similar effect for the BVM: the effect of the consumer's value priorities on behavior is expected to be stronger when the value is more central to the individual. The following extreme situations can be expected:

- A certain value (e.g., *prestige*) is not central to the consumer in a certain setting (e.g., when considering to buy a car). Whether the car offers prestige or not will then be less relevant to this individual. The prestige value of the car has little influence on this consumer's brand attachment: the expected influence of value congruence on behavior is limited.
- A certain value (e.g., *prestige*) is central to the individual in a certain setting (e.g., when considering to buy a car). Then, the prestige value of the car is expected to have a stronger influence on brand attachment. Two situations are possible:
  1. The car offers prestige: value congruence. The brand attachment is expected to be positively influenced, because the prestige value of the car is important to the individual.
  2. The car offers no prestige: value incongruence. The brand attachment is expected to be unaffected, or even negatively affected by the lack of prestige of the car.

Concluding, we expect that the importance of personal values moderates the effect of value congruence on brand attitude:

#### **H6.3. The effect of value congruence on brand attachment is stronger for those values that are more important to the individual.**

##### **Test of hypothesis 6.3.**

**Method.** *A moderator is a variable that influences the direction and/or strength of the relation between an independent and a dependent variable (Baron & Kenny, 1986; Hair et al., 2006). The significance of a moderator effect can be determined with multiple regression analysis, by comparing the explained variance of the unmoderated equation with the variance explained by the moderated equation. The moderating effect predicted by hypothesis 6.3 is explored with the data obtained in the survey described in Section 5.2.*

**Analysis.** *To test for the moderating effect of PV on the relation between VC and BAtt<sup>32</sup>, the following models were used<sup>33</sup>:*

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<sup>32</sup> As in the test of hypothesis 6.2, the log-transformed variable BAtt\* was used as indicator for brand attachment.

<sup>33</sup> Formally, a moderator is the product of two variables of interest (Baron & Kenny, 1986), here PV and VC. However, we are not interested here in the interaction on aggregate level, but in the interaction on the level of value types. Consequently, we used a slightly adapted version of the moderator, in which we first calculated the

1. Unmoderated equation:  $BAtt^* = b_0 + b_1 \times PV + b_2 \times VC$ ,
2. Moderated equation:  $BAtt^* = b_0 + b_1 \times PV + b_2 \times VC + b_3 \times MODPV$ ,

where:  $BAtt^*$  = (Log-transformed) Brand Attachment,

$PV$  = Summated Personal Value Score over the nine value types, defined as  $PV = \sum_{i=1}^9 \frac{PV_i}{9}$ ,

$VC$  = Value congruence,

$MODPV$  = moderating effect of personal values :  $MODPV = \sum_{i=1}^9 \frac{PV_i \times VC_i}{9}$ ,

$VC_i$  = congruence with respect to value type  $i$ , defined as  $BV_i - PV_i$ ,

To determine the significance of the moderator effect, the unmoderated equation was estimated, and then compared with the moderated equation. A moderator effect is present if there is a significant increase in  $R^2$  by adding the moderator effect  $b_3 \times MODPV$ . Significance of a moderator effect can be related to the coefficient  $b_3$ : a significant  $b_3$  indicates a significant moderator effect.

In the analysis of the moderator effect,  $PV$  and  $VC$  were centered (i.e., for both  $PV$  and  $VC$ , the mean value was subtracted from each individual rating). This was done because the interaction effect in the moderator is highly correlated with the other two variables in the equation, resulting in unacceptable multicollinearity in the regression. Centering the moderating variable reduces problems associated with multicollinearity, without affecting the model fit and the explained variance (Frazier, Barron, & Tix, 2004).

## Results

The results are presented in Table 6.5. These results confirm the hypothesis. The significant increase in  $R^2$  demonstrates the existence of a significant moderator effect.

**Table 6.5.** The moderating influence of consumer values on the relation between value congruence and brand attachment.

	<b>Unmoderated model</b>	<b>Moderated model<sup>34</sup></b>	<b>Change significance</b>
<b>Unmoderated model</b>	$BAtt^* = 1.022 + 0.050 \times PV - 0.333 \times VC$		
<b>Moderated model</b>	$BAtt^* = 0.991 + 0.163 \times PV - 0.281 \times VC - 0.125 \times MODPV$		
<b>Explained variance (adjusted R<sup>2</sup>)</b>	$R^2 = 0.168$	$R^2 = 0.181$	$R^2$ change = 0.016
<b>Significance of model fit (F-ratio)</b>	$F(2,244) = 25.907$ ; $p < 0.001$	$F(3,243) = 19.143$ ; $p < 0.001$	$F(1,243) = 4.805$ ; $p = 0.029$
<b>Coefficients</b>	$PV$ : $t = 1.086$ ; $p = 0.287$ $VC$ : $t = -7.196$ ; $p < 0.001$	$PV$ : $t = 2.345$ ; $p = 0.020$ $VC$ : $t = -5.420$ ; $p < 0.001$ $MODPV$ : $t = -2.192$ ; $p = 0.029$	
<b>Multicollinearity in the model</b>	No multicollinearity: variance inflation factor (VIF) is 1.016.	No important multicollinearity: VIF is 2.237 (PV), 1.291 (VC), and 2.640 (MODPV).	
<b>Assumptions of normality, homoscedasticity and linearity</b>	The model (with log-transformed $BAtt$ ) meets the assumptions of normality, homoscedasticity, and linearity.		

moderator effects for each of the separate value types, and then averaged these across all value types to create the total moderating effect.

<sup>34</sup> As explained above, mean centering was used in the model to reduce problems associated with multicollinearity. Without mean centering, the multicollinearity in the moderator model would have been unacceptably high: 25.47 (VC), 2.138 (PV), and 27.88 (MODPV).

The moderator effect is significant, but accounts for only 1.6% of the explained variance. This moderator effect might not be as convincing as expected. Consequently, an analysis was executed for each value type separately. The results are listed in Table 6.6. The table presents for each value type the explained variance of the unmoderated equation, the explained variance of the moderated equation, and the significance of the moderator effect (with mean-centered variables).

**Table 6.6.** The moderating influence of consumer values on the relation between value congruence and brand attachment for each value type in the Value Compass (significant relations printed in bold).

Value type	F-statistics unmoderated equation	F-statistics moderated equation	Significance of moderator effect (b <sub>3</sub> )
<b>Functionality</b>	<b>F(2,301)=13.48, R<sup>2</sup>=0.076</b>	<b>F(3,300)=11.26, R<sup>2</sup>=0.092</b>	<b>t(300) = -2.52; p=0.012</b>
Safety	F(2,329)=6.680, R <sup>2</sup> =0.033	F(3,328)=5.639, R <sup>2</sup> =0.040	t(328) = -1.86; p=0.064
Honesty	F(2,310)=36.69, R <sup>2</sup> =0.186	F(3,309)=25.62, R <sup>2</sup> =0.192	t(309) = -1.73; p=0.084
Social resp.	F(2,299)=6.410, R <sup>2</sup> =0.035	F(3,298)=5.396, R <sup>2</sup> =0.042	t(289) = -1.81; p=0.071
Affection	F(2,303)=17.02, R <sup>2</sup> =0.095	F(3,302)=11.35, R <sup>2</sup> =0.092	t(302) = 0.34; p=0.735
Joy	F(2,316)=15.46, R <sup>2</sup> =0.083	F(3,315)=10.28, R <sup>2</sup> =0.080	t(315) = -0.16; p=0.877
<b>Stimulation</b>	<b>F(2,319)=7.974, R<sup>2</sup>=0.042</b>	<b>F(3,318)=7.663, R<sup>2</sup>=0.059</b>	<b>t(285) = -2.60; p=0.010</b>
<b>Beauty</b>	<b>F(2,314)=9.293, R<sup>2</sup>=0.050</b>	<b>F(3,313)=10.28, R<sup>2</sup>=0.081</b>	<b>t(313) = -3.41; p=0.001</b>
<b>Prestige</b>	<b>F(2,318)=11.27, R<sup>2</sup>=0.060</b>	<b>F(3,317)=9.957, R<sup>2</sup>=0.077</b>	<b>t(317) = -2.63; p=0.009</b>

A significant moderator effect was found for beauty, prestige, functionality, and stimulation, but not for the other value types. It seems that the moderator effect is stronger for values that put more emphasis on promoting personal interests and for utilitarian values, and absent in values motivating to care for and take care of others.

The results of the analysis support the hypothesis to a certain extent. For a number of value types, personal values moderate the influence of value congruence on brand attachment. For these values, the impact of value congruence on brand attachment is higher when these values are more important for the consumer. This effect is particularly true with values promoting the pursuit of self-interest.

However, this effect was not demonstrated for all the value types in the Value Compass. For the values motivating to care for and to take care of others, the analysis showed no significant moderator effect. This implies that for these values the effect of value congruence is relevant, irrespective of whether the value is specifically important to the consumer. We will illustrate this by examining the interaction of personal values and brand values for a number of value types. The first example involves the value type *prestige*, one of the value types for which a moderating effect of personal values was found. The second example presents the value type *care & affection*, for which no significant moderator effect was detected. The last example explores the value type *sustainability*.

### **Example 1: A brand that proposes *prestige* in its value profile**

Some individuals are more sensitive to prestige than others. Prestige-sensitive people consider status, power, or success relatively important. Value congruence implies that prestige-sensitive individuals are more attracted to brands with a higher (perceived) prestige value, and less attracted to brands with a lower prestige value. The moderating effect of prestige-sensitivity implies that individuals who are not sensitive to prestige are

relatively indifferent toward the prestige value of a brand. To visualize this effect, we examined the effect of prestige congruence on brand attachment in a univariate analysis<sup>35</sup>:

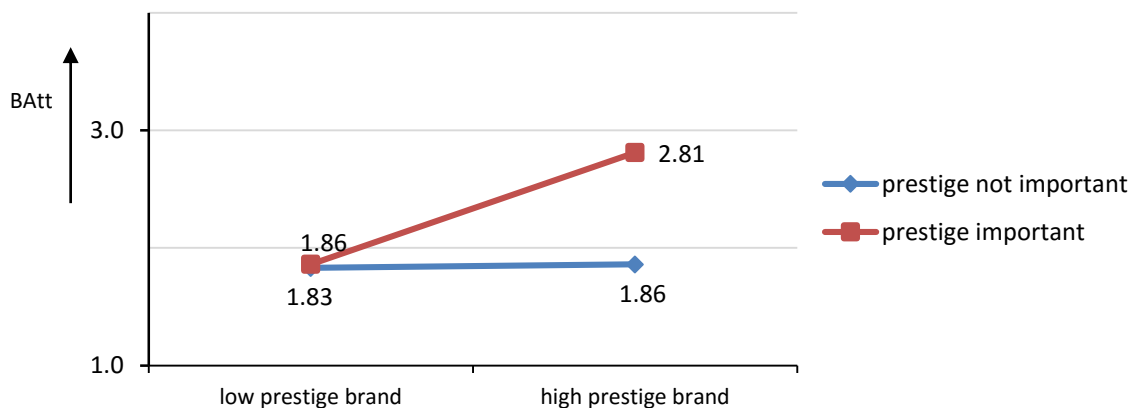
- *Prestige sensitivity.* Two groups of prestige-sensitivity were formed based on a quartile split: the middle quartiles were discarded, the analysis focused on the lowest quartile ('prestige is not important for me') and the highest quartile ('prestige is important for me'). In this way, the sample is divided into two segments: prestige-sensitive individuals, and individuals for who prestige is not an important principle.
- *Brand prestige.* For brand prestige, we can also consider two groups: one with brands with low perceived prestige, and one with brands with high perceived prestige<sup>36</sup>.

Table 6.7 presents the results of the univariate analysis.

**Table 6.7.** The influence of prestige on brand attachment (univariate analysis of variance, quartile split).

Effect	F-statistic	Significance
Prestige sensitivity: influence of $PV_{Prestige}$ on $BAtt^*$	$F(1,293)= 16.549$	$p < 0.001$
Prestige congruence: influence of $VC_{Prestige}$ on $BAtt^*$	$F(1,293)= 14.575$	$p < 0.001$
Moderating effect of $PV_{Prestige}$ on relation $VC_{Prestige}$ and $BAtt^*$	$F(1,293)= 20.899$	$p < 0.001$

The analysis shows, in line with the findings of Section 6.2, that prestige sensitivity has a significant influence on brand attachment. The significance of the prestige congruence effect and the moderating effect of prestige-sensitivity match with the findings in Section 6.3 and 6.4 respectively. The interaction graph in Figure 6.3 helps to interpret these findings.



**Figure 6.3.** The influence of prestige sensitivity on the attachment to prestigious brands.

<sup>35</sup> In order to meet the assumptions of homoscedasticity, linearity, and normality, the log-transformed brand attachment was used as dependent variable in the univariate analysis. To simplify visual interpretation of the figures in the text, brand attachment was reverted to the original Likert-scaled value

<sup>36</sup> In the quartile split, groups were actually formed based on value congruence. As we recall from the analysis presented in the description for hypothesis 6.2, high value congruence is associated with a low value of VC:  $VC = |BV - PV|$ . High prestige congruence for prestige sensitive people implies that the perceived prestige value of the brand is high. Similarly, high prestige congruence for people with low prestige sensitivity represents a low prestige value of the brand. A similar reasoning holds for low prestige congruence. Consequently, a quartile split based on prestige congruence, in combination with a quartile split based on prestige sensitivity, also provides information about the perceived prestige value of the brand. For ease of interpretation, we refer in the example to the perceived brand prestige.

In the figure, we can see that prestige sensitivity influences brand attachment. Prestigious brands received an average brand attachment rating of 2.81 from the prestige-sensitive consumers, and a rating of 1.86 from the quartile of consumers who are the least sensitive to prestige. Consequently, for the value type *prestige* we observe value congruence ('prestige congruence'): a prestigious brand image has a positive impact on the attachment toward the brand, but, due to the before-mentioned moderating effect, only with prestige-sensitive consumers. Adding prestige to the brand value profile does not change the brand attachment of prestige-insensitive consumers.

As an example, suppose that a certain car brand profiles success and leadership (e.g., cool stylish design, suitable for the ambitious businessman). This only affects the brand attachment of prestige-sensitive consumers: they value a car with prestige more than a car without prestige. Consumers for whom prestige is not an important value seem indifferent to the prestige of a car: they do not appreciate a car more (or less) if the prestige aspect of the car increases (or decreases).

### Example 2: The effect of affectionate elements in the brand profile

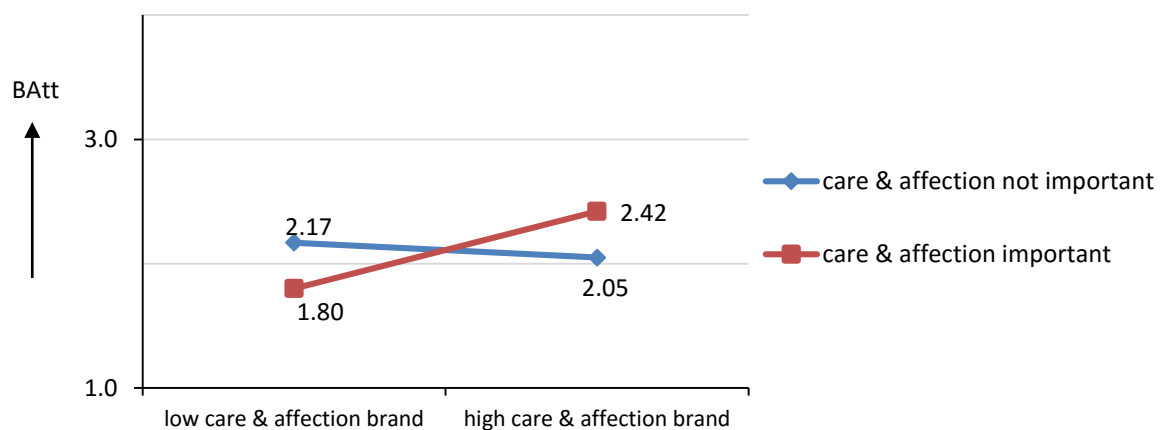
In the second example, a quartile split was used to create a group of respondents to whom care & affection is important, and a group to whom care & affection is not important. Similarly, we created a group of brands perceived to profile care & affection, and a group perceived to be low in care & affection. The procedure that was followed is similar to the procedure described in the first example.

Contrary to the value type *prestige*, the personal value *care & affection* (e.g., friendship, harmony, family life) does not act as a moderator: Table 6.8 presents an insignificant moderating effect. Figure 6.4 illustrates the effect of caring brand values on brand attachment.

**Table 6.8.**

*The influence of care & affection (c & a) on brand attachment (univariate analysis of variance, quartile split).*

Effect	F-statistic	Significance
C & a sensitivity: influence of $PV_{c \& a}$ on $BAtt^*$	$F(1,225) = 0.110$	$p = 0.961$
C & a congruence: influence of $VC_{c \& a}$ on $BAtt^*$	$F(1,225) = 6.546$	$p = 0.011$
Moderating effect of $PV_{c \& a}$ on relation $VC_{c \& a}$ and $BAtt^*$	$F(1,225) = 1.522$	$p = 0.219$



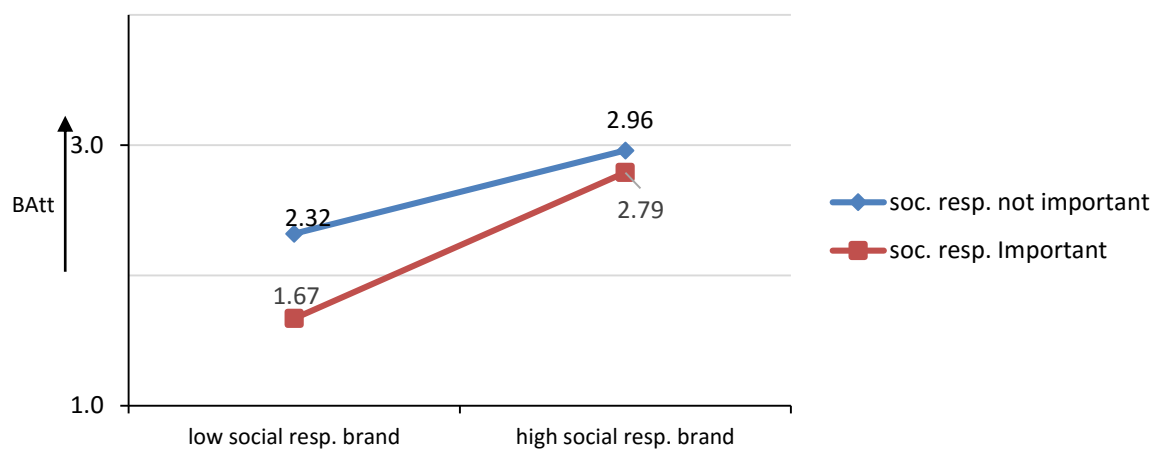
**Figure 6.4.** *The importance of care & affection to the consumer and his attachment to affect-laden brands.*

Continuing the car example, let us consider a car brand profiling as a family car (e.g., enough luggage space for the family holiday, comfortable back seats for the children), as compared to a car brand that does not profile with family values. The family car will be more interesting for consumers who cherish family values than for consumers to whom family life is not so important. We also see that an increase of family values in the brand image of the car would increase the attachment of consumers to whom these values are important, but only has a limited effect on consumers for whom these values are relatively unimportant.

Contrary to the prestige example, the car without family values is evaluated differently by different types of consumers: this car is relatively more interesting for consumers to whom family values are less important.

### Example 3: The effect of social responsibility in the brand profile

In the last example, we look at the effect of *social responsibility* values. Again, a univariate analysis was executed, based on a quartile split procedure to create segments with low and high sense of *social responsibility* and brands with low and high perceived social responsibility. Table 6.9 presents the results of the univariate analysis, and Figure 6.5 illustrates these results. In the figure, we can see that more sustainable brands are preferred to less sustainable brands, irrespective of whether the consumer considers *social responsibility* an important motivation in his personal life. However, the lower attachment to less social responsible brands particularly holds for individuals to whom *social responsibility* values are important.



**Figure 6.5.** The importance of social responsibility (sustainability) to the consumer and his attachment to sustainable brands.

**Table 6.9.** Influence of social responsibility on brand attachment (univariate analysis of variance, quartile split).

Effect	F-statistic	Significance
Soc. resp. sensitivity: influence of $PV_{\text{Soc.resp.}}$ on $BAtt^*$ .	$F(1,306) = 9.143$	$p < 0.010$
Soc. resp. congruence: influence of $VC_{\text{Soc.resp.}}$ on $BAtt^*$ .	$F(1,306) = 3.514$	$p = 0.062$
Moderating effect of $PV_{\text{Soc.resp.}}$ on relation $VC_{\text{Soc.resp.}}$ and $BAtt^*$ .	$F(1,306) = 45.665$	$p < 0.001$

## **6.5 Conclusion**

Consumer values influence brand choice: consumers attempt to connect with those brands that reflect what the consumer himself considers important. This effect was referred to as value congruence, defined as the match between the values of the consumer and the values proposed by the brand. Indeed a significant effect of value congruence on brand choice was found: consumers are more attached to brands whose brand values match with their own values, whereas the perceived absence of important values results in a lower brand attachment. The congruence effect was found to be particularly relevant for values that are central to the consumer. Values that are less important for a consumer have a more limited influence on brand attachment.

Besides the effect of value congruence, we also found, to a limited extent, that prestige-sensitive consumers show a higher attachment to brands in general. Apparently, prestige-sensitivity makes people more susceptible to brands. A similar relation was found with respect to the value type *beauty*. Individuals for whom the opposing value *honesty* is an important value, on the other hand, have a somewhat lower tendency to attach themselves to brands.



## **7. Brand values versus brand personality**

*The brand values concept provides a meaningful alternative to the brand personality concept (Proposition 6).*

### **7.1 Introduction**

Both values and personality traits can be used to describe people. In the previous chapters, we referred to values as guiding principles in people's lives. An important aspect in this description was the focus on behavior: values motivate people to behave in a certain way. Hence, values are connected with behavioral motives. Personality definitions have a different emphasis; they frequently focus on character aspects or traits that describe the individual. This is the case, for instance, in the definition provided by Allport, "*Personality is the dynamic organization within the individual of those psychophysical systems that determine his characteristic behavior and thought*" (Allport, 1961, p. 28), in the definition provided by Guilford, "*The individual's unique pattern of traits*" (Guilford, 1959, p. 8), or in the emphasis on personality traits in the Five-Factor Model (McCrae & Costa, 1996). To sum up, traits give a characterization of individuals in terms of relatively enduring patterns of thoughts, feelings, and actions.

Both concepts are also applied to assess the attractiveness of brands. Keller (2008) referred to personality traits and to values as determinants of brand image. In managerial practice, the core meaning of a brand is frequently described in terms of its brand values. In marketing theory, however, the use of personality traits to describe brands prevails. The most popular brand concept is Aaker's brand personality framework (Aaker, 1997). When it comes to values, marketing theory relies on models developed for the analysis of human psychology, in particular the value theories of Rokeach (1973) and, to a lesser extent, Schwartz (1992). As opposed to the development of the brand personality framework to describe the personality of a brand, no value-based brand concept has been developed so far. As we noted in Chapter 2, a further complication in the discussion of brand values and brand personality in marketing theory is that the distinction between both concepts has become blurred.

The aim of this study is to apply the values concept to marketing, and to introduce a meaningful value-based brand concept. To satisfy this purpose, we developed the Value Compass, by using recent insights from values theory and applying them to a consumer behavior context. This process was described in the previous chapters. Next to the development of this values-based brand concept, we also aim to distinguish this concept from brand personality, and to establish to which degree the use of brand values provides a meaningful alternative to the brand personality framework. This chapter presents the comparison of the two concepts. Section 7.2 discusses the Value Compass and the brand personality framework from a theoretical point of view, and describes the differences between both. This review leads to predictions concerning the relation between brand values and brand personality with consumer choice. These predictions are subsequently tested. Section 7.3 describes the test design, and the Sections 7.4 and 7.5 present the results of the test. We conclude this chapter with a summary of the the main findings in Section 7.6.

### **7.2 Comparison of the Value Compass and the brand personality framework**

Following the increasing attention for the symbolic meaning of a brand (e.g., Hirschman & Holbrook, 1982, Whan Park, Jaworski, and MacInnis, 1986), Aaker introduced the concept of brand personality in 1997, as a framework to measure the symbolic meaning that consumers attribute to brands: *The objective [...] is to develop a theoretical framework of brand personality dimensions [...] and a reliable, valid, and generizable scale that measures*

*these dimensions* (Aaker, 1997, p. 347). The brand personality framework is more extensively described in Chapter 2.

The brand personality scale developed by Aaker (1997) intends to measure the personality of the brand. This is less comprehensive than the intentions behind the Value Compass. With the Value Compass, both consumer values and brand values can be described and measured. Moreover, the Value Compass provides an instrument by which the influence of brand values on consumer behavior can be assessed. Thus, the intentions behind both instruments are somewhat different. But are these differences in intentions related to actual differences in the two concepts? To generate a deeper understanding of brand values and brand personality, they are compared below. This comparison involves the following aspects:

1. the theoretical foundations of brand personality and brand values,
2. the conceptual structure of both concepts,
3. the universality of both concepts,
4. the relation with consumer behavior.

#### *1. Origins of brand values and brand personality*

In both the brand personality framework and the Value Compass, aspects of psychology are applied to brands. There are, however, limits to the personification of brands: the words used to describe human characteristics or human values may not all be relevant to brands. Consequently, these human characteristics have to be adapted to fit a brand context (Azoulay & Kapferer, 2003). For both the Value Compass and the brand personality framework, this adaptation was realized through a selection process. The values in the Value Compass originated from a comprehensive list of human values, a list which was created following a lexical approach (De Raad & Van Oudenhoven, 2008). Next, values were selected based on the extent to which they apply to a consumer behavior context. As a result, a brand value system was developed with a conceptual structure resembling the structure of the human value system as described by Schwartz (1992).

Aaker's brand personality framework was derived from the Big Five theory of personality, and adapted to fit a branding context. Aaker generated her set of personality traits on the basis of a number of sources:

- literature review of scales used in psychology to measure the Big Five,
- personality scales used by marketers (academics and practitioners),
- a free association task performed by respondents who were asked to indicate which personality traits they associated with brands.

Out of this set of personality traits, respondents selected those traits that they considered descriptive for brands. According to Aaker (1997), three of her brand personality dimensions relate –to some extent– to three of the Big Five human personality dimensions. Sincerity taps into traits of agreeableness and conscientiousness. Excitement includes items like sociability, energy and activity, just as extraversion does. Competence captures traits found in conscientiousness and extraversion. Aaker does not relate the other two dimensions of brand personality, sophistication and ruggedness, to any of the Big Five dimensions.

Azoulay and Kapferer (2003) pointed out that the personality concept in some of Aaker's sources has a global, extended meaning, covering a variety of separate constructs. This includes personality traits, but also values, or reflections of the typical or stereotypical buyer. This global view on the personality construct is reflected in the broad definition that Aaker used for the brand personality concept: *the set of human characteristics associated with a brand*. As a result, the brand personality framework seems to cover a variety of human characteristics, involving more than just personality traits. In fact, conceptual unclarity of her brand personality construct was recognized by Aaker, when comparing the brand personality framework with the Big Five dimensions of human psychology: "... whereas Sincerity, Excitement, and Competence tap an innate part of human personality,

*Sophistication and Ruggedness tap a dimension that individuals desire but not necessarily have” (Aaker, 1997, p. 353). By implying a more value-like characterization of sophistication and ruggedness, the distinction between personality traits and values in the brand personality framework becomes fuzzy. To avoid conceptual unclarity, Azoulay and Kapferer advocated the use of a stricter definition of the use of brand personality: the set of human personality traits that are both applicable to and relevant for brands (Azoulay & Kapferer, 2003, p. 151).*

## *2. The conceptual structure of brand values and brand personality*

The Value Compass and the brand personality framework are structured differently. The Value Compass consists of eleven (or, in the short version, nine) value types. Aaker’s brand personality framework consists of five dimensions, thereby paralleling the structure of the Five-Factor Model. The larger number of value types, as compared to brand personality dimensions, offers the potential of a richer and more differentiated analysis. This is amplified by the existence of a structure. Similar to the conceptual structure of the human value system, as specified by Schwartz (1992), the Value Compass is structured as a value system consisting of compatible and conflicting values. The circular structure of this value system explicitly takes the relations between values into consideration. Consequently, conclusions can be drawn from the importance of each value in a brand value profile, but also from the combinations of these values. For instance, it is possible to analyze to what extent the combination of certain values produces a consistent brand value profile, depending on the compatibilities and conflicts of the motivations expressed by these values. The relations among the five dimensions of Aaker’s brand personality framework, on the other hand, are not specified. The absence of a structure linking these dimensions prevents the possibility of interpreting combinations of brand personality dimensions (e.g., evaluating the consistency of a certain pattern of brand personality traits).

## *3. Universality of the Value Compass and the brand personality framework*

Both the value system developed by Schwartz and the personality trait dimensions of the Five-Factor Model were replicated in cross-cultural studies (McCrae & Costa, 1997; Schwartz, 1994; Schwartz & Bardi, 2001). This, however, does not imply that brand concepts derived from these constructs can be applied across societies. As was discussed in Chapter 2, the brand personality framework shows only limited cross-cultural validity. The cross-cultural validity of the Value Compass will be investigated in Chapter 8.

## *4. The relation with consumer behavior*

As was described in the introduction of this chapter, values are behavioral motives; they refer to “*what people consider important*” (Bilsky & Schwartz, 1994, p. 790). Personality traits describe what a person is like (Bilsky & Schwartz, 1994): traits characterize individuals in terms of what they think, feel, or do, rather than considering the intentions behind these thoughts, feelings, or actions.

Now, let us relate values and personality traits to consumer behavior. One of the central elements within marketing is need satisfaction: consumers engage in interactions to obtain something they did not have before. Hence, they are motivated by a discrepancy between what they have and what they want to have: consumption is a goal-oriented activity. As was demonstrated in the previous chapters, values guide consumer behavior: consumption helps consumers to attain important goals in life, and these goals are symbolized by their values. When different life goals become important, then value priorities will shift, and so will consumer motivations. Hence, the consumer’s value priorities will remain a motivating force for consumer behavior, even if the priorities themselves can shift over time.

But to what extent can we say the same about personality traits? Personality traits provide a description of an individual, but they do not provide a reference to the discrepancy between what a person is like and what he would like to be. And, unlike values, traits do not provide explicit guidance for the actions that should be taken to decrease this discrepancy. And since consumer behaviour is focused on alleviating discrepancies, we

argue here that personality traits do *not necessarily* constitute a motivating force for consumer behavior. We can illustrate this with an example of a smart and intelligent individual who managed to become successful. In terms of Aaker's personality trait dimensions, this individual exhibits a high rating on the personality trait competence (see Tables 2.7 and 7.2). Due to his competent personality, he managed to progress to a higher position in the company where he works, earning a good salary, and being appreciated, sometimes even admired, by his co-workers. As a consequence of his societal position, he might be surrounded by brands that match a successful lifestyle, for instance, fashionable clothing matching the dress code of his professional position. But the successful position of this individual is related to his competences, not to his values. If being successful would be an important value to him as well, then we can indeed expect him to consistently desire brands that express success, according to the value congruence effect explained in the previous chapter. On the other hand, it is also possible that this individual does not value success, despite the fact that he is successful<sup>37</sup>. In that case, he does not necessarily desire brands expressing success.

In sum, consumer behavior is expected to be stronger related to what we consider important (realizing the goals symbolized by our values) than to what we are (our personality traits). We frame this in the form of the following hypothesis:

**H7.1 Values have a stronger influence on brand attachment than personality traits**

This hypothesis was tested in a comparative study of brand values and brand personality traits. The design of this study is presented in the following section.

### **7.3 Method**

The previous chapters demonstrated the structure of the Value Compass, and showed how the values in the Value Compass guide consumer behavior. In these chapters, we uncovered three mechanisms by which values are linked with behavior:

1. Brands are perceived to represent values. These brand values positively influence brand choice<sup>38</sup>.
2. Value congruence, the match between the value proposition of the brand and the value system of the consumer. Value congruence was shown to have a positive influence on brand choice.
3. Value centrality, the importance of values to the consumer. The effect of value congruence on behavior was found to be stronger for values that are more central to the individual. In other words, more important values have a stronger influence on brand choice.

The relation between values and consumer behavior is the combined effect of these three mechanisms. An appreciation of the influence of values on consumer behavior, as compared to the influence of personality traits on consumer behavior, needs to take these mechanisms into account.

A comparative test was developed to analyze the impact of values and personality traits on behavior. Two test versions were used. In one test version, respondents evaluated their

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<sup>37</sup> This is not a hypothetical situation: the individual in this example is successful because of personality traits related to intelligence, not because he values success. Chances are that he might start valuing what he does not have, perhaps the warm family life that he misses because of his professional success, and tries to organize his consumption patterns accordingly.

<sup>38</sup> The influence of brand values on brand choice is mediated by brand attachment. The analyses in Chapter 5 and 6 confirmed the impact of brand values on the mediator variable brand attachment.

own values and the values of a number of selected brands. In the other test version, respondents assessed their own personality and the brand personality of the selected brands. Both test versions were assessed in a survey distributed among a sample of Dutch students, in the form of an online questionnaire. As in the previous studies, the student database of the Hanze University of Applied Sciences Groningen was used to select students. Students were drawn randomly out of this database. The selected respondents received an email, followed by two reminders, with a request to fill out the survey. Respondents could access the survey by clicking on the link they could find in the email. When respondents followed this link, they were randomly assigned to either the value-based test version, or the test version based on personality traits. The software SurveyMonkey was used to publish the survey online, and to collect the responses. The survey was available from March 21<sup>st</sup>, 2011 until March 31<sup>st</sup>, 2011.

**Test design version A: values and consumer behavior**

In version A, respondents were confronted with two brands, Audi and IKEA. These brands were conveniently selected for the purpose of this test; they do not intend to give a representative coverage of consumer brands. Respondents evaluated their own values, the brand values of both brands, and finally their attachment and behavioral intentions toward these two brands. The design of test variant A was identical to the test design described in Section 5.2. Below, we briefly summarize this design.

*Personal value priorities*

Respondents rated their own value priorities on a 5-point scale, by answering the following question: "How important is this value for you when you have to make a choice between products or services?". The shortened version of the Value Compass was used (see Table 7.1). As in Section 5.2, the respondent's score for each value type is the weighted average of the value items representing this value type, with weights identical to those used in the short version of the Value compass (the weights derived in the September 2010 survey round).

**Table 7.1.** Value types and their marker values in the short version of the Value Compass.

<b>Value type</b>	<b>Marker values</b>	<b>Value type</b>	<b>Marker values</b>
<b>Affection</b>	Caring for someone Family life Friendliness	<b>Stimulation</b>	Adventure Being active Being sportive
<b>Honesty</b>	Honesty	<b>Prestige</b>	Power Status Being successful
<b>Safety</b>	Safety	<b>Beauty</b>	Beauty Elegance Style
<b>Social responsibility</b>	Being environmental-friendly Providing for a better world Recycling	<b>Functionality</b>	Expertise Functionality Smart solutions
<b>Enjoying life</b>	Enjoying life Excitement Fun		

### *Brand values*

As specified above, two brands were included in this test: Audi and IKEA. Each respondent evaluated one of these two brands; brands were randomly assigned to respondents. Respondents rated the brand values of IKEA and Audi on a 5-point Likert scale, by answering to the following question: "A brand can represent certain values. Could you indicate to what extent the following brand represents these values (for instance, 'Audi represents strength')?" Both brands were evaluated with the same value items as were used to evaluate the personal value priorities.

### *Brand attachment and behavioral intention*

Brand attachment was measured with items representing the four dimensions of brand attachment: brand affect, brand love, brand community, and brand engagement. For a complete overview of these items, we refer to Table 5.3 in Chapter 5. The behavioral intention comprises the intention to (re)purchase the brand, and the intention to provide positive word-of-mouth. All ratings were obtained on a 5-point Likert scale.

### **Test design version B: personality traits and consumer behavior**

Test version B was constructed in a similar style as version A, with the same brands, IKEA and Audi. However, in version B respondents evaluated personality traits, as opposed to the values that were evaluated in test version A. Respondents first evaluated their own personality traits, then they assessed to what extent they perceived these traits as belonging to the brand personality of the two brands. Finally, they assessed their brand attachment and behavioral intentions.

### *Personality traits*

Respondents assessed their own personality based on a number of personality traits. The personality traits from Aaker's brand personality scale were used for this assessment. In her scale, Aaker lists 43 traits that can be used to describe the personality of a brand. This includes traits such as reliable, honest, and friendly. These traits represent the five personality dimensions distinguished by Aaker: sincerity, excitement, competence, sophistication, and ruggedness. Table 7.2 presents an overview of Aaker's brand personality framework. The majority of the traits in this framework can be used to describe a human personality. In a qualitative pretest, however, a number of items proved to be ambiguous or difficult to interpret when applied to a person. This concerned the following traits: small-town, real, wholesome, secure, corporate, Western, and rugged. These problematic traits were excluded. Respondents were asked to evaluate their own personality with the remaining 36 traits: "Please indicate how much each of these characteristics gives a good description of yourself." Ratings were obtained on a 5-point Likert scale.

**Table 7.2.** The brand personality traits in Aaker's brand personality framework (items in italics were not included in our survey).

<b>Sincerity</b>	<b>Excitement</b>	<b>Competence</b>	<b>Sophistication</b>	<b>Ruggedness</b>
Cheerful	Contemporary	Confident	Charming	Masculine
Down-to-earth	Cool	<i>Corporate</i>	Feminine	Outdoorsy
Family-oriented	Daring	Hardworking	Glamorous	<i>Rugged</i>
Friendly	Exciting	Intelligent	Goodlooking	Tough
Honest	Imaginative	Leader	Smooth	<i>Western</i>
Original	Independent	Reliable	Upper-class	
<i>Real</i>	Spirited	<i>Secure</i>		
Sentimental	Trendy	Successful		
Sincere	Unique	Technical		
<i>Small-town</i>	Up-to-date			
<i>Wholesome</i>	Young			

The ratings for each personality trait were used to create individual scores for each of Aaker's five personality dimensions. Aaker does not give an indication how she calculated the average scores for the five personality dimensions from the individual ratings on personality traits. However, she specified that "*these traits had high item-to-total correlations on (...) their factors (ranging from .50 to .97), thereby ensuring high internal consistency*" (Aaker, 1997, p. 352)<sup>39</sup>. With these high item-to-total correlations, we decided to define the trait dimensions as the unweighted average of the scores of the personality trait items by which they are represented. By using this procedure, a personality profile for each respondent in the test was created.

#### *Brand Personality*

As in the previous test version, the two brands Audi and IKEA were submitted. Both brands were evaluated with the same 36 personality traits as were used to evaluate the individual's personality profile. Brand personality traits were measured with a 5-point Likert scale. In the test, we used the same instruction as the one used by Aaker (1997) to construct her brand personality scale: "*We would like you to think of a brand as a person. This may sound unusual, but think of the set of human characteristics associated with each brand. For example you might think that the human characteristics associated with Pepsi Cola are fun, interesting and exciting. We're interested which personality traits or human characteristics come to mind when you think of IKEA*" (p. 350). The scores for the brand personality traits were used to construct the five dimensions of brand personality, again by taking the unweighted average of item scores.

#### *Brand Attachment and Behavioral Intention*

For the attachment and behavioral intention toward each brand, exactly the same items were used as in test version A.

#### **Response**

A total of 804 students followed the link to the survey during the survey period. These students were randomly assigned to one of the two test versions. 256 respondents completed the test version based on brand values, and 234 respondents completed the test version with brand personality.

#### **Analytical method**

As stated in the introduction to this section, three mechanisms link values to behavior:

1. The brand values in the brand value profile stimulate brand attachment.
2. Value congruence stimulates brand attachment.
3. Value centrality makes the congruence effect more relevant.

For the relation between personality and behavior, we expect the existence of similar mechanisms: the influence of brand personality traits and the influence of personality trait congruence on behavior, and the influence of personality trait strength on the relevance of the trait congruence. The relation between values and behavior was analyzed with the results of test version A, and the relation between personality and behavior with the results from version B.

Results were analyzed by means of regression analysis. First, the results of test version A were used to analyze the relation between values and behavior, for each of the three mechanisms. Brand attachment, as proxy for behavior, is used as the dependent variable, and the value constructs (brand values, value congruence, and value centrality) were the independent variables. The next step was a regression analysis on the results of test version B: the mechanisms that link personality traits (brand personality traits, trait congruence, and trait strength) to behavior. Finally, by applying Fisher's r-to-z

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<sup>39</sup> The item-to-total correlations emerging from test version B of our study are roughly similar to the correlations found by Aaker; they vary from 0.445 (for *original*) to 0.888 (for *glamorous*).

transformation, the strength of the values-attachment relation was compared with the strength of the personality trait-attachment relation, for each of the three mechanisms.

The results of the test of hypothesis 7.1 are described in Section 7.5. Before turning to these results, we first summarize in the next section a number of descriptives of the test outcomes.

## 7.4 Values and personality traits: comparison of descriptives

### 7.4.1 Comparison of descriptives

#### *Descriptives for personal values*

In test version A, respondents evaluated first their personal value priorities, before they were asked to assess the brand values of IKEA and Audi. This evaluation of personal values was based on the values of the Value Compass. Table 7.3 presents means, standard deviations, and confidence intervals of these personal values, for each value type. Value types in this table are ranked by importance, by using the sample mean as indicator for the importance of the value priority.

**Table 7.3.** Test results for version A: personal value priorities.

Value type	Mean	Std. Deviation	n	95% Conf. Interval
1. Honesty	4.056	1.026	233	[3.912, 4.200]
2. Safety	3.878	.951	240	[3.745, 4.012]
3. Enjoying life	3.846	.844	228	[3.727, 3.965]
4. Functionality	3.786	.743	228	[3.682, 3.891]
5. Affection	3.656	.849	231	[3.536, 3.775]
6. Beauty	3.393	.876	235	[3.270, 3.516]
7. Social responsibility	3.361	.849	235	[3.242, 3.481]
8. Stimulation	3.289	.761	232	[3.181, 3.396]
9. Prestige	3.167	.869	226	[3.053, 3.281]

#### *Descriptives for personality traits*

In test version B, people assessed their own personality with the personality traits of Aaker's brand personality framework. Table 7.4 presents the descriptives resulting from this assessment.

The mean trait ratings are, in general, lower than mean ratings for value priorities. We have to take into account that value priorities of the Value Compass were specifically selected for their relevance for consumer behavior. Through this selection procedure, only relevant value items, that is value items with a higher mean importance, were selected for the Value Compass. Personality traits, on the other hand, were selected by Aaker for the extent to which they associate with brands, not because of their importance to the average individual. This difference in selection procedures forms an explanation for the higher mean ratings of value types.



**Table 7.4.** Test results for version B: descriptives for the personality trait dimensions.

Personality trait dimension	Mean	Std. Deviation	n	95% Conf. Interval
1. Sincerity	3.702	.467	210	[3.625, 3.780]
2. Competence	3.400	.500	229	[3.318, 3.483]
3. Excitement	3.243	.440	175	[3.170, 3.316]
4. Ruggedness	3.052	.693	205	[2.937, 3.167]
5. Sophistication	2.949	.582	215	[2.853, 3.045]

Individual variation in trait levels between respondents, as expressed by the standard deviation, is also smaller than the interpersonal variation in value priorities. The larger variation in value priorities between individuals of the same population, as compared to the variation in personality traits, makes the Value Compass a more suitable instrument to detect differences in a population, for instance, for segmentation purposes.

#### **7.4.2 A test of the stability of the Value Compass**

The study described in this chapter is not the first study in which the values of the short version of the Value Compass were used. The design of test version A is identical to the test that was used to assess the effect of values on consumer choice in Chapter 5. The only difference between the two tests is a difference in respondents. For both studies, the student database of the Hanze University of Applied Sciences Groningen was used, but for each study a different sample was drawn out of this population, with a time difference of approximately half a year between the two studies. It is possible to compare the two sets of results from both studies. This comparison provides an opportunity for further validation of the Value Compass: we can examine whether, within the same population, the Value Compass yields similar outcomes for different samples at different points of time. Similar outcomes give an indication for the stability of the Value Compass across samples.

To test the stability of outcomes of the Value Compass, we compared the outcomes of test version A of the survey distributed in March 2011 (as presented in Table 7.3) with the outcomes of the test of the Value Compass distributed in September 2010 (described in Section 5.2). Stability of outcomes is supported if the value priority ratings in the second study do not diverge significantly from the results obtained in the first study. The outcomes of the comparison (*t*-test and 95% confidence interval) are presented in Table 7.5.

The results give indeed support for the stability of outcomes produced by the (short version of the) Value Compass: no significant differences between means were found for any of the value priorities of the Value Compass.

**Table 7.5.** Validation of the Value Compass: value ratings reported in Chapter 5 -the test of the Brand Value Model (BVM)- compared with the value ratings reported in the test described in this chapter (with rankings between parentheses).

Value type	Mean: study of BVM model (n = 919 to 963)	Mean: study in this chapter (n = 226 to 240)	Conf. Interval of difference (95%)	Significance of difference (t-test)
1. Honesty	4.109 (1)	4.056 (1)	[-0.096, 0.202]	t = 0.697, p = 0.758
2. Safety	3.880 (2)	3.878 (2)	[-0.139, 0.143]	t = 0.028, p = 0.511
3. Enjoying life	3.875 (3)	3.846 (3)	[-0.094, 0.152]	t = 0.462, p = 0.678
4. Functionality	3.771 (4)	3.786 (4)	[-0.123, 0.093]	t = -0.273, p = 0.393
5. Affection	3.670 (5)	3.656 (5)	[-0.110, 0.138]	t = 0.221, p = 0.588
6. Beauty	3.303 (6)	3.393 (6)	[-0.218, 0.065]	t = -1.383, p = 0.084
7. Social responsibility	3.325 (7)	3.361 (7)	[-0.162, 0.090]	t = -0.561, p = 0.288
8. Stimulation	3.271 (8)	3.289 (8)	[-0.130, 0.094]	t = -0.314, p = 0.746
9. Prestige	3.134 (9)	3.167 (9)	[-0.160, 0.094]	t = -0.510, p = 0.305

## 7.5 Brand values versus brand personality

As explained previously, the following mechanisms are expected to link brand values and brand personality to behavior:

- a direct relation: brand values respectively brand personality stimulate brand attachment;
- a congruence effect: a match between brand values and consumer values, or a match between brand personality and the consumer's personality, stimulates brand attachment;
- the moderating influence of the importance of values and personality traits: value centrality respectively personality trait strength make the congruence effect stronger.

Hypothesis 7.1 predicts that the combined effect of these mechanisms is stronger for values than for personality traits. The hypothesis was tested with the results of the survey described in the previous sections. Regression analysis is used for this comparison, with brand attachment as dependent variable, and the indicators for values respectively personality traits as independent variables. The outcomes of the analysis are presented below.

## Test of hypothesis 7.1

### H7.1 Values have a stronger influence on brand attachment than personality traits

**Design.** To test the hypothesis, a number of models were estimated. These models were related to the mechanisms described above. This resulted in the following analytical design:

	<b>Test version A (influence of values)</b>	<b>Test version B (influence of traits)</b>
Mechanism I brand attachment related to:	Brand values (IA)	Brand personality (IB)
Mechanism II brand attachment related to:	Value congruence (IIA)	Personality trait congruence (IIB)
Mechanism III Congruence effect moderated by:	Value centrality (IIIA)	Trait strength (IIIB)

Regression analysis was used to estimate the models. In all models, brand attachment was the dependent variable. For the analysis of the influence of values on brand attachment, the short version of the Value Compass (with nine value types) was used as analytical model. The five personality trait dimensions of Aaker's brand personality framework were used in the analysis of the influence of personality traits on brand attachment. Models and outcomes are presented in the tables 7.9A to 7.9D.

The structure of each model was based on the designs described in the previous chapters: the models related to the first mechanism have the same structure as the model described in Section 5.5, the congruence models are similar to the congruence model in Section 6.3, and the moderating effect of value centrality and trait strength was tested according to the design described in Section 6.4. Comparison of the strength of the correlations in the values-attachment relations with the trait-attachment relations was done with Fisher's *r*-to-*z* transformation.

As in the studies in the previous chapters, the models showed heteroscedasticity. Therefore a transformation procedure was used. With this procedure, brand attachment (BAtt) was transformed in its natural logarithm:  $BAtt^* = \ln(BAtt)$ . The transformed models satisfy the assumptions of linearity, homoscedasticity, and normality. Below, we report results based on the log-transformed variable BAtt.

#### **Results.**

Brand values have a strong and significant effect on brand attachment: explained variance of 44.9% (see Tables 7.6 and 7.9A). Brand personality also relates significantly with brand attachment, although the explained variance is lower:  $R^2 = 27.0\%$ . Comparison of correlations with Fisher's *r*-to-*z* transformation shows that brand values have a significantly stronger effect on brand attachment (in terms of explained variance) than the traits of Aaker's brand personality framework: the *z*-score of the difference between the brand values-attachment correlation and the brand personality-attachment correlation is significant. In Table 7.6, presented below, we summarize this comparison.

**Table 7.6.** Effect of brand values and brand personality on brand attachment: comparison.

	<b>Test version A (influence of values)</b>	<b>Test version B (influence of traits)</b>
Mechanism I - brand attachment related to:	Brand values (IA)	Brand personality (IB)
R <sup>2</sup> mechanism I:	R <sup>2</sup> = 0.449	R <sup>2</sup> = 0.270
Significance of difference in R:	Z <sub>difference</sub> = 2.01 two-tailed probability p = 0.044	

Table 7.9B and summary Table 7.7 present a congruence effect for both brand values and brand personality traits. The variance explained by brand personality is somewhat higher, but the difference is not significant.

**Table 7.7.** Effect of value congruence and trait congruence on brand attachment: comparison.

	<b>Test version A (influence of values)</b>	<b>Test version B (influence of traits)</b>
Mechanism II - brand attachment related to:	Value congruence (IIA)	Personality trait congruence (IIB)
R <sup>2</sup> mechanism II (congruence effect):	R <sup>2</sup> = 0.117	R <sup>2</sup> = 0.184
Significance of difference in R:	Z <sub>difference</sub> = 0.79 two-tailed probability p = 0.430	

Table 7.9C presents the moderating influence of value centrality on the match between personal values and brand values. Adding the effect of value centrality to the model increases the R<sup>2</sup> with 19.5%: a significant increase. As explained earlier, this implies that when a consumer evaluates a brand, he will pay particularly importance to those values that are important to him. If a brand represents these important values, then this increases brand attachment, but if central values are absent in the brand, then it decreases brand attachment. The presence or absence of brand values that are unimportant to the consumer has a significantly lower impact on his brand attachment.

This effect is different with respect to brand personality (Table 7.9D). The analysis shows no significant moderator effect. If a brand possesses a brand personality that matches with the personality of the consumer, it has a positive effect on brand attachment; a mismatch between the consumer's personality and the brand personality results in a lower brand attachment. But, as opposed to what we saw in our analysis of brand values, we can not make a distinction between more important and less important personality traits. Summary Table 7.8, presented below, demonstrates that the value centrality effect is important, and significantly stronger than the (almost absent) trait strength effect.

**Table 7.8.** Effect of value centrality and trait strength on brand attachment: comparison.

	<b>Test version A (influence of values)</b>	<b>Test version B (influence of traits)</b>
Mechanism III - brand attachment related to:	Value centrality (IIIA)	Personality trait strength (IIIB)
R <sup>2</sup> change through mechanism III (centrality effect):	R <sup>2</sup> change = 0.195	R <sup>2</sup> change = 0.015
Significance of difference in R:	Z <sub>difference</sub> = 2.65 two-tailed probability p = 0.008	

**Table 7.9A** Effect of brand values (model IA) and brand personality (model IB) on brand attachment.

<b>Model IA</b>	$BAtt^* = -0.647 - 0.10 \times BV_{Competence} + 0.009 \times BV_{prestige} + 0.122 \times BV_{Beauty} - 0.026 \times BV_{Stimulation} + 0.122 \times BV_{Joy} + 0.155 \times BV_{Affection} + 0.056 \times BV_{Soc.resp} + 0.004 \times BV_{Safety} + 0.013 \times BV_{Honesty}$	
<b>Model IB</b>	$BAtt^* = -0.235 + 0.149 \times BT_{Sincerity} + 0.237 \times BT_{Excitement} - 0.109 \times BT_{Competence} + 0.046 \times BT_{Sophistication} + 0.010 \times BT_{Ruggedness}$	
	<b>Model IA</b>	<b>Model IB</b>
<b>Explained variance (adjusted R<sup>2</sup>)</b>	$R^2 = 0.449$	$R^2 = 0.270$
<b>Significance of model fit (F-ratio)</b>	$F(9,171) = 17.269; p < 0.001$	$F(5,123) = 10.460; p < 0.001$
<b>Multicollinearity in the model</b>	No important multicollinearity: VIF between 1.495 ( $BV_{safety}$ ) and 3.041 ( $BV_{stimulation}$ ).	No important multicollinearity: VIF between 1.450 ( $BT_{sincerity}$ ) and 4.072 ( $BT_{excitement}$ ).

**Table 7.9B** Effect of value congruence (model IIA) and trait congruence (model IIB) on brand attachment.

<b>Model IIA</b>	$BAtt^* = 1.164 - 0.357 \times VC$	
<b>Model IIB</b>	$BAtt^* = 1.115 - 0.389 \times TC$	
	<b>Model IIA</b>	<b>Model IIB</b>
<b>Explained variance (adjusted R<sup>2</sup>)</b>	$R^2 = 0.117$	$R^2 = 0.184$
<b>Significance of model fit (F-ratio)</b>	$F(1,162) = 22.557; p < 0.001$	$F(1,93) = 22.128; p < 0.001$

The tables on this and the following page contain the following abbreviations:

$BAtt^*$  = (natural logarithm of) brand attachment,

$BV_i$  = brand value for value type  $i$ ,

$VC$  = value congruence, defined as  $\sum_{i=1}^9 \frac{|BV_i - PV_i|}{9}$ ,

$VC_i$  = congruence with respect to value type  $i$ , defined as  $BV_i - PV_i$ ,

$PV$  = summated personal value score over the nine value types, defined as  $\sum_{i=1}^9 \frac{PV_i}{9}$ ,

$MODPV$  = moderating effect of value centrality, defined as  $\sum_{i=1}^9 \frac{PV_i \times VC_i}{9}$ ,

$BT_i$  = strength of brand personality trait dimension  $i$ ,

$TC$  = trait congruence, defined as  $\sum_{i=1}^5 \frac{|BT_i - PT_i|}{5}$ ,

$TC_i$  = congruence with respect to value type  $i$ , defined as  $BT_i - PT_i$ ,

$PT$  = summated personality trait score over the five trait dimensions, defined as  $\sum_{i=1}^5 \frac{PT_i}{5}$ ,

$MODPT$  = moderating effect of personality trait strength, defined as  $\sum_{i=1}^5 \frac{PT_i \times TC_i}{5}$ .

**Table 7.9C.** Moderating influence of value centrality on relation value congruence-brand attachment.

<b>Unmoderated model</b>	$BAtt^* = 0.857 + 0.148 \times PV - 0.304 \times VC$		
<b>Moderated model</b>	$BAtt^* = 0.854 + 0.244 \times PV - 0.356 \times VC - 0.399 \times MODPV$		
	<b>Unmoderated model</b>	<b>Moderated model<sup>40</sup></b>	<b>Significance of change</b>
<b>Explained variance (adjusted R<sup>2</sup>)</b>	$R^2 = 0.148$	$R^2 = 0.343$	$R^2 \text{ change} = 0.195$
<b>Significance of model fit (F-ratio)</b>	$F(2,161) = 15.204;$ $p < 0.001$	$F(3,160) = 29.426;$ $p < 0.001$	$F(1,160)=48.833;$ $p < 0.001$
<b>Coefficients</b>	PV: $t = 2.648; p = 0.009$ VC: $t = -3.973; p < 0.001$	PV: $t = 4.777; p < 0.001$ VC: $t = -5.272; p < 0.001$ MODPV: $t = -6.988; p < 0.001$	
<b>Multicollinearity in the model</b>	No multicollinearity: variance inflation factor (VIF) is 1.074.	No important multicollinearity: VIF is 1.157 (PV), 1.087 (VC), and 1.114 (MODPV).	

**Table 7.9D.** Moderating influence of trait strength on the relation trait congruence - brand attachment.

<b>Unmoderated model</b>	$BAtt^* = 0.806 + 0.186 \times PT - 0.390 \times TC$		
<b>Moderated model</b>	$BAtt^* = 0.798 + 0.224 \times PT - 0.368 \times TC - 0.253 \times MODPT$		
	<b>Unmoderated model</b>	<b>Moderated model<sup>41</sup></b>	<b>Significance of change</b>
<b>Explained variance (adjusted R<sup>2</sup>)</b>	$R^2 = 0.215$	$R^2 = 0.230$	$R^2 \text{ change} = 0.015$
<b>Significance of model fit (F-ratio)</b>	$F(2,92) = 13.858;$ $p < 0.001$	$F(3,91) = 10.339;$ $p < 0.001$	$F(1,91)=2.769;$ $p = 0.100$
<b>Coefficients</b>	PT: $t = 2.169; p = 0.033$ TC: $t = -4.806; p < 0.001$	PT: $t = 2.543; p = 0.013$ TC: $t = -4.516; p < 0.001$ MODPT: $t = -1.664; p = 0.100$	
<b>Multicollinearity in the model</b>	No multicollinearity: variance inflation factor (VIF) is 1.000.	No important multicollinearity: VIF is 1.070 (PT), 1.027 (TC), and 1.098 (MODPT).	

<sup>40</sup> As in the moderator analysis in Section 6.4, PV and VC were centered for constructing MODPV, to reduce problems associated with multicollinearity. Without mean centering, the multicollinearity in the moderated model would have been above the threshold level of VIF = 10 (Hair et al., 2006): VIF = 10.64 (VC), 2.862 (PV), and 10.18 (MODPV).

<sup>41</sup> Without mean centering, the multicollinearity in the moderated model would have been unacceptably high: VIF = 32.24 (TC), 3.183 (PT), and 34.49 (MODPT).

The analysis shows that brand personality and brand values both influence brand attachment: consumers prefer brands with a stronger brand personality, and brands with a stronger value profile. For both constructs, the importance of this influence depends on the consumer. Consumers prefer brands whose brand values correspond with their own values, and they also prefer brands with a brand personality profile that matches their own personality structure. This makes both constructs useful indicators for the relation between the brand and its consumers.

There is a difference, however. We argued in Section 7.2 that the relation between values (*that what people want to be*) and consumer behavior is more straightforward than between personality traits (*that what people are*) and behavior, and, consequently, we expected a stronger relation between values and behavior than between personality and behavior. The analysis confirmed this expectation. By comparing the Value Compass with Aaker's brand personality framework, we found that the variance in attachment explained by the brand values is significantly higher than when brands are described in terms of their brand personality.

Another difference between values and personality involves the congruence effect. Value congruence results in brand attachment: if a consumer perceives values in a brand that he considers more important, this will result in a higher brand attachment. Similarly, a match between the brand personality and the consumer's personality also results in higher brand attachment. As was already demonstrated in the previous chapter, value centrality moderates the extent to which value congruence has an effect on brand attachment: values in the brand profile that are more relevant to the consumer will have a stronger effect on his feelings toward the brand. Consequently, when considering the effect of brand values on brand attachment, we can focus on those values that are important to the consumer. As opposed to values, personality traits can not be ranked in order of importance. In contrast with the observed value centrality effect, we did not find a comparable effect with respect to personality traits. Consequently, when evaluating the relation between brand personality and behavior, we can not distinguish between more or less important personality traits and all personality traits have to be taken into consideration.

The stronger impact of brand values on brand attachment can be related to conceptual differences between values and personality traits. A possible additional cause relates to the origins of the brand personality framework: Aaker developed her model in the USA and, as we addressed before, it was shown to have limited universality. This could make the items in the brand personality model less suitable for the evaluation of brands in other cultural contexts such as, in this study, the Dutch context. This suggestion, obviously, calls for evidence of the cross-cultural validity of the Value Compass. This will be investigated in part IV of this book.

## **7.6 Conclusion**

Anthropomorphism refers to seeing the human, and human characteristics, in non-human forms and events (Aggarwal & McGill, 2007). Although the complexity of the word anthropomorphism suggests a rare phenomenon, the personification of brands has been of central interest to marketers. Brands are perceived to possess humanlike characteristics, and marketers intentionally encourage this by instilling these human characteristics to brands (see e.g., Aaker, 1997; Keller, 2008; Torelli et al., 2012). The relevance to branding of one of these psychological concepts, values, has been emphasized extensively in this research. But values are not the only brand concept taken from psychology. In this chapter we compared the Value Compass with one of these brand concepts, Aaker's brand personality framework.

An important difference between both concepts relates to their structure. The consumer values of the Value Compass are structured as a dynamic system of compatible and conflicting values. Consequently, the impact of a certain value on behavior should always be considered in relation to the impact of other values. In a branding context, this emphasizes the importance of taking into account the complete set of brand values associated with a brand. The brand personality traits in Aaker's framework, on the other hand, are treated conceptually as independent factors. Hence, using a brand personality concept can go no further than a list of personality traits associated with the brand, without clear guidelines for assuming consistencies or conflicting elements in the brand personality profile.

From a conceptual point of view, personality and values are related but different concepts. Values refer to *what people consider important*. Values guide behavior, they motivate action to realize a certain goal. Personality traits, on the other hand, describe *what people are like*. We argued that this conceptual difference makes consumer values a better antecedent for consumer behavior than the consumer's personality traits. This was tested by comparing the correlation of the values of the Value Compass with consumer behavior with the influence that the personality traits of Aaker's brand personality framework have on that behavior. In this comparison, we found that values, as defined by the Value Compass, indeed have a stronger impact on consumer behavior than personality traits as defined by the brand personality framework.

Since most brands operate in an international context, it is important to analyze brands with concepts that can be used in an international context. The currently most central models in values theory (Schwartz's value theory) and in personality theory (the Five-Factor Model) have both been validated in cross-cultural studies. However, Aaker's brand personality framework only has limited cross-cultural validity. The brand personality framework has even been criticized as a 'too American' framework (Azoulay & Kapferer, 2003). This can be circumvented of course by creating other brand personality frameworks more suitable to non-American contexts, but this does not improve the elegance of the framework. So far, we have not yet addressed the cross-cultural validity of the Value Compass. Due to the importance of the international perspective for branding, we turn to a cross-cultural validation of the Value Compass in the next part of this study.





*Part IV.*

*The Value Compass & Culture*

## **8. Cross-cultural validity of the Value Compass**

### **8.1 Introduction**

Values and culture are strongly linked: "*The concept of culture is a value concept. Empirical reality is culture for us because, and to the extent that, we relate to it to value-ideas*" (Weber, 1904). The interrelatedness of both concepts is also evident within a more contemporary definition, in which culture is defined as "*a system of attitudes, values and knowledge that is widely shared within a society and is transmitted from generation to generation*" (Inglehart, 1997, p. 15). Culture has a tremendous influence on how reality is perceived. Hofstede (2001), by using the onion as a metaphor, recognizes different layers of depth in his understanding of culture. Starting at the surface, we come across the most visible elements of a culture, expressed in symbols (such as national flags, dress codes, or architectural styles). Below the symbols one can identify heroes (e.g., William of Orange, Benjamin Franklin, Mao, or Napoleon) and rituals (e.g., cross-cultural differences in lunch and dinner rituals). Values in this model are the deepest manifestation of culture. But if values, the motivations underlying human behavior, are so deeply entrenched within culture, the question can be raised to which extent a system of values can be applied across different cultures. This question will be addressed in this chapter. We will argue that, although the importance of values can be different across societies, the system organizing these values is cross-culturally valid.

Values have been regarded as a response to universal biologic needs and social and institutional demands (Schwartz & Bilsky, 1987). This implies, on the one hand, a universal element: human genetical structure and human basic needs are similar across our planet. On the other hand, different societies are faced with different natural and social challenges. And, when further zooming in, within each society, different (groups of) individuals are faced with their own specific challenges. This makes values a human universal, but also a cultural concept, and a characteristic of each individual within a culture. Hence, we can expect universal aspects in value orientations, differences in value orientations between societies, and individual differences in value orientation.

It is important to point out that two major orientations can be distinguished in cross-cultural studies: a structure-oriented focus and a level-oriented focus (Van de Vijver & Leung, 1997). A study with a structure-oriented focus analyzes the relationships among variables, and the similarities and differences in these relationships across cultures. For instance, a study attempting to demonstrate the universality of a construct has a structure-oriented focus. Schwartz provided evidence that his value theory can be used to describe values across different cultures (Schwartz, 1992; Schwartz, 1994; Schwartz & Sagiv, 1995; Schwartz et al., 2001). Hofstede (2011) also assumed cross-cultural validity of his six-dimensional cultural model. Universality of a concept, however, does not imply that the concept is equally important everywhere. For instance, the hedonic value of a brand can be more important in culture A, whereas the functional aspect of the brand is more relevant in culture B, irrespective of the fact that in both cultures hedonic and utilitarian values form conflicting value types.

Cross-cultural validation of a concept (structure-oriented) is necessary before one can attempt to focus on differences in importance of that concept across cultures, which would be the aim of a level-oriented study. The distinction between a structure-oriented and a level-oriented approach is also evident in Hofstede: the conceptual structure of his values concept (in his case: the six cultural dimensions) is similar across societies, but there are deeply entrenched cultural differences in the levels of importance of the different values. Following this line of reasoning, we also expect for the Value Compass that the model *structure* is similar across societies, but the importance of values (the *levels*) can differ between societies. This is expressed by Proposition 7:

***Compatibilities and conflicts between consumer values are similar across cultures. There are, however, cultural differences in the importance of consumer values.***

The intention of this treatment is the development of a value system which is not constrained to one society, but can be used cross-culturally to assess brand values and brand choice. Since the proof of the pudding is in the eating, this intention needs to be validated. So far, the Value Compass was developed and validated for the Netherlands. This chapter is devoted to a cross-cultural assessment of the Value Compass. For this assessment, the following questions will be addressed:

- To what extent do people from different cultures use the same values when they evaluate brands?
- To what extent is the structure of interrelations between these values similar across cultures?
- To what extent are these values equally important across cultures?

Investigating the universality of a concept involves a number of methodological considerations. The chapter starts with a discussion of these considerations. The design of the cross-cultural study of the Value Compass is described in Section 8.3, and the results are discussed in the Sections 8.4, 8.5, and 8.6. These results are divided in a structure-oriented and a level-oriented treatment. The structure-oriented treatment investigates the cross-cultural validity of the Value Compass. In the level-oriented treatment, differences of value priorities between societies are examined.

## ***8.2 Methodological considerations in cross-cultural testing***

For a valid cross-cultural comparison, it is necessary that what is being compared is the same in all studied countries (Berry et al., 2011). For instance, equality in Dutch society is a concept referring to a non-hierarchical relation between individuals: individuals have access to the same opportunities. But is this conceptualization the same in other countries? And does a high score for equality in one country mean the same thing as an equally high score for equality in another country? This section raises a number of methodological issues related to the generalizability of cross-cultural studies. Treatment of these issues is necessary before we can proceed with the cross-cultural assessment of the Value Compass.

Universality assumes that a psychological concept can be generalized to describe the behavior of people in any culture (Berry et al., 2011). In other words, test results obtained in one country are comparable to the test results from another country. Universalism can be opposed to relativism. Relativism assumes human behavior to be strongly influenced by culture: a concept developed in one culture can not be transferred to other cultures. This implies, in its most extreme form, that test results obtained in one country can not be compared with results obtained in another country. The distinction between universalism and relativism is one of the central issues in cross-cultural psychology. As discussed previously, most value systems assume a universal structure (Hofstede, 1980, 2011; Schwartz, 1992; Triandis, 1995).

### ***Bias and equivalence***

In a cross-cultural study, comparability of results is threatened by bias. Bias is a generic term for nuisance factors threatening the validity of cross-cultural comparisons. Different sources of bias can be identified, of which the following are relevant to cross-cultural studies: method bias, item bias, and construct bias (e.g., Van de Vijver, 2011; Van de Vijver and Leung, 1997, 2011). Method bias is a source of bias arising from the research method used. It relates to, for instance, cross-cultural differences in the samples used for the test, differences in the way the test is administered, or unfamiliarity of the respondents

with the type of measurement (or with the concept of survey in itself). Item bias relates to problems with a specific test item, for instance, if the test item means different things for respondents from different cultures. Even when following the appropriate translation procedures, values can have a meaning specific to a particular society or culture. For instance, to what extent is the German value *Gemütlichkeit* equivalent to the Dutch value *gezelligheid*, or to the English value *cosiness*? Finally, there is construct bias if the meaning of a construct differs across cultures. An example is the conceptualization of human relations. Western culture emphasizes equality in relationships. Confucianism, on the other hand, with its strong focus on loyalty and respect, created an environment in which human relations are characterized by fundamental inequality. Confucianist relations are hierarchical, obligatory bonds of mutual devotion: from son to father, from wife to husband, from younger brother to elder brother, from ruled to ruler<sup>42</sup> (Kutcher, 2000). This different conceptualization of relationships potentially influences the way that values such as care, harmony, respect, or power are (cor)related to each other.

#### *Measurement equivalence*

Bias threatens the equivalence of measurement outcomes across cultures (Van de Vijver & Leung, 2011). Equivalence refers to the level of comparability of measurement outcomes: a measurement instrument is called equivalent if test items are interpreted in the same way by two persons belonging to different cultures. A meaningful cross-cultural comparison is possible only when measurement equivalence of the instrument has been demonstrated (Berry et al., 2011). The following levels of equivalence can be distinguished (Van de Vijver & Leung, 1997, 2011): construct equivalence, structural equivalence, metric equivalence, and scalar equivalence. These levels of equivalence will be described here in more detail.

*Construct equivalence* implies that the same construct exists in all studied groups, is conceptualized in the same way in all groups, and is manifested in the same way for all groups. Construct equivalence of a certain value type implies a shared meaning of the value type across cultures, but it also concerns a shared meaning and understanding of the value items representing the value type. The discussion about the extent to which values such as *Gemütlichkeit*, *gezelligheid*, and *cosiness* share the same underlying meaning, is a discussion about their construct equivalence. Evidence for the construct equivalence of a value type can be provided by cross-culturally assessing the meaning associated with the value type and with the items by which it is described.

An instrument administered in different cultural groups shows *structural equivalence* if, in addition to construct equivalence, the construct consists of the same factors in all groups. In terms of the Value Compass, structural equivalence means that the Value Compass consists of the same value types in all the cultures under consideration, and that these value types are represented in each culture by the same items. For instance, with structural equivalence we can assume that the value type *prestige* can be distinguished in all societies under consideration, and that it can be represented by the value items *being successful*, *power*, and *status* in all these societies. It does not imply, however, that the underlying factor loadings are similar. In one culture, for instance, it is possible that *prestige* contains a relatively strong power element, whereas in another culture the status aspect is more important.

*Metric equivalence* asserts that, in addition to structural equivalence, there is also equality of factor loadings. With metric equivalence, respondents interpret and use a measurement instrument (e.g., the Value Compass) in the same way across cultures, in the sense that differences between outcomes can be compared. This implies that value priority rankings can be compared across cultures. The second part of Proposition 7 – *there are cultural*

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<sup>42</sup> Confucianism specifies five human bonds: from son to father, from wife to husband, from younger brother to elder brother, from ruled to ruler, and from friend to friend. Only the fifth, and least important, Confucianist bond, the one from friend to friend, does not have a hierarchical aspect.

*differences in the importance of consumer values* – can be tested after metric equivalence of the Value Compass has been demonstrated. It is then possible, for instance, to determine whether prestige is a relatively more important motivation in a certain culture, as compared to its importance in other cultures.

Metric equivalence, however, does not allow for absolute comparisons such as '*prestige is more important in culture A than in culture B*'. A higher score for prestige in a country can indeed imply that this value is more important in the country, but it is also possible that respondents in this country in general give relatively high scores in surveys. If we want to make absolute comparisons between countries, then *scalar equivalence*, or full-score equivalence, is required. Scalar equivalence means that the measurement scale is identical across the cultures in the cross-cultural comparison. It implies, for instance, that a score of 4 on a Likert scale obtained from a person in country A has exactly the same meaning as the same score from an individual in country B. Scalar equivalence is difficult to establish. For instance, the way people complete a survey is affected by differences in communication style. Some people consistently give more positive answers, or more extreme answers, whereas others will have the tendency to center around the middle value of a scale.

Communication styles show consistent differences between cultures, thereby influencing cross-cultural comparison. Two types of culture-dependent communication styles can be identified (Cheung & Rensvold, 2000): extreme response bias and acquiescence bias. Extreme response bias is the extent of moderate responding versus extreme responding. A study by Marin, Gamba, and Marin (1992), for instance, showed that the tendency to use both extremes of a response scale is higher among Hispanic Americans than among non-Hispanic Caucasian Americans. Extremity is reflected by a relatively higher standard deviation. Acquiescence is the tendency of respondents to give positive answers regardless of the content of the questions (Smith, 2004). Acquiescence is reflected in a relatively higher country average rating on, for instance, Likert-scaled questions. Acquiescence was shown to be related to individualism-collectivism and to power distance. More positive answers in response to personally relevant items are found in nations that are high on Hofstede's dimensions of collectivism or power distance (Smith, 2011).

Differences in communication style are a characteristic of a specific national culture (Cheung & Rensvold, 2000; Smith, 2011). But these differences are also a form of bias that complicates cross-cultural comparison (Hofstede & Hofstede, 2005; Leung & Bond, 1989). Averaging or standardization procedures can be used to reduce or eliminate unwanted cross-cultural differences in response styles (Fischer, 2004; Leung & Bond, 1989; Van de Vijver & Leung, 1997). These procedures enable cross-cultural comparison, but they do have statistical consequences. Most importantly, averaging or standardizing results creates scores that are not statistically independent of each other. Despite this statistical complication, and the observation that differences in response styles in themselves constitute an aspect of cultural difference, the benefit of enabling cross-cultural comparison is, according to Smith (2011), a persuasive argument in favor of eliminating cross-cultural differences in response style through standardization procedures.

Measurement equivalence as discussed so far asserts that test outcomes can be compared across cultures. However, to demonstrate universality of the Value Compass, this is not enough. Unlike, for instance, the brand personality framework, the Value Compass is not a model consisting of a number of unrelated dimensions. The Value Compass also specifies relations between dimensions: it is a circular structure of compatible and conflicting value types. The consequence is that some value types correlate stronger with each other than other value types. If we want to test the first part of Proposition 7 - *the structure of the Value Compass is similar across cultures* - then we have to take the interrelations between value types into account. Cross-cultural validation of the structure of the Value Compass requires, in addition to the equivalence tests described above, also a test of the equivalence of the interrelations between value types. There are a number of methods available to

explore these interrelations. Confirmatory factor analysis (CFA) provides the possibility to test the structure of a model. Interrelations can also be analyzed by performing a visual inspection of the value space. Both types of analysis are further detailed below.

*Model structure equivalence in confirmatory factor analysis*

The equality of two models can be tested in CFA by using a stepwise procedure. In each step of this procedure, the equivalence criteria are tightened<sup>43</sup>. Testing the equivalence of conceptual models implies that, in addition to a test of construct equivalence, the following steps are used (Hair et al., 2006; Van de Vijver & Leung, 1997):

- *Factor structure equivalence.* This is identical to testing structural equivalence as described above. If factor structure equivalence is demonstrated, then we can assume that in the value systems under comparison the same factors (i.e., value types) can be identified. The factor loadings (the loadings of the value items on their value types) and the relations between value types, however, are not specified and, consequently, can be different.
- *Factor loading equivalence.* This is identical to a test of metric equivalence. Factor loading equivalence implies that the same value types can be identified in each system, and that the factor loadings of value items are identical in each system, but the relations between value types are not yet specified. In other words, the relations between value types, in terms of compatibilities and conflicts between them, can still be different from country to country.
- *Factor loading and interfactor covariance equivalence:* test of equality of factor loadings, factor structures, and interrelations between factors. Equivalence of interfactor covariance indicates that the interrelations between value types are identical in each country. In other words, the same pattern of compatibilities and conflicts exists across countries: equivalence of the model structure of the Value Compass.
- *Factor loading, interfactor covariance, and error variance equivalence:* test of equality of factor loadings and factor structures, interrelations between factors, and measurement errors. This test, sometimes referred to as tight cross-validation, demonstrates whether the Value Compass has the same structure across the countries under consideration. In other words, tight cross-validation provides the most convincing evidence for the generalizability of the Value Compass across cultures.

Equivalence can be tested by looking at goodness-of-fit. We will do this by examining the RMSEA and the CFI, for each step in the stepwise procedure. These statistics were described in more detail in Text Box 3.3. Table 8.1 summarizes the criteria to test goodness-of-fit.

**Table 8.1.** Indicators of fit for the Value Compass (based on a model with 23 items, and  $n \geq 250$ ).

	Good fit	Moderate fit	Poor fit
<b>RMSEA</b>	$RMSEA \leq 0.08$	$0.10 \geq RMSEA \geq 0.08$	$RMSEA \geq 0.10$
<b>CFI</b>	$CFI \geq 0.92$	$0.90 \leq CFI \leq 0.92$	$CFI \leq 0.90$

An alternative goodness-of-fit test in the stepwise procedure is to compare the fit of a more constrained model with the less constrained model from the previous step. Because of increasing restrictions, the fit of a more restricted model deteriorates as compared to a less restricted model. If the fit of the more restricted model is significantly worse, then we can not assume equivalence. Equivalence can be assumed if the change in CFI ( $\Delta CFI$ ) is smaller than or equal to 0.01 (Cheung & Rensvold, 2002). Equivalence is rejected if  $\Delta CFI$  is larger than 0.01.

<sup>43</sup> This procedure was also followed to test hypothesis 5.1, the equivalence of the structure of the brand value profile and the structure of the Value Compass.

#### *Model structure equivalence: visual inspection of the value space*

The value space is a graphic representation of the interrelations between values. An example is the value space of the Value Compass, presented in Figure 3.1. Equivalence of model structure implies, that the arrangement of values in the value space is similar across countries. Consequently, analysis of the relations between values in a value space offers an alternative method to testing model structure equivalence. This visual inspection has been used, for instance, in the development of the portrait values questionnaire (PVQ) (Schwartz et al., 2001). The PVQ was developed as an alternative method to measure the universality of the theory of human values. In the PVQ, short verbal portraits of different people were used to measure value priorities. Each portrait represented the importance of a value. Indications for value priorities were obtained by asking people to compare these portraits to themselves. Validation of the PVQ, as compared to Schwartz's value survey (SVS), was done by a visual comparison of the value spaces resulting from both models: based on test outcomes, Schwartz et al. created a value space containing the value types according to the Schwartz's value survey, and a value space containing the arrangement of the value types with data obtained from the PVQ. By comparing the two structures, Schwartz et al. found evidence for the match between the PVQ and the SVS.

### **8.3 Design of the cross-cultural study**

The cross-cultural study of the Value Compass included validation of the existence of the value types of the Value Compass across a number of countries, validation of the model structure, and a visual inspection of the value spaces in the countries in the test. The countries from which the sample was taken, the test design, and the method of analysis are described below.

#### *Sample*

Cross-cultural validity of the Value Compass was tested by submitting the values of the Value Compass to samples from different cultures. As in Hofstede's work, countries were used as indicators of culture. Surveys were distributed to respondents in a number of geographically dispersed European countries. These countries were selected in such a way that a regional spread across the continent was realized. In this way, some of the cultural variation within Europe could be taken into account. In Northwestern Europe, in addition to the Dutch survey described previously, a sample was drawn in Germany. In Southern Europe, Italy was included as a representative of Latin, Catholic culture. Bulgaria in Southeastern Europe constitutes the Slavic, Orthodox country in the test. Finally, we included one of the Baltic countries, Lithuania. To test the validity of the Value Compass in a non-western culture, the Value Compass was also submitted to a sample collected from China. Table 8.2 presents some background information on the cultural profiles of these countries. This table depicts the country scores of these countries according to Hofstede's index.

A difference in background characteristics of respondents affects value priorities (Section 4.5). Therefore, it is important to use groups with comparable age and sociodemographics in cross-cultural tests. The tests of the Value Compass, described in the previous chapters, involved student samples from the Netherlands. To enhance comparability, the research population in the other countries in this cross-cultural study also consisted of students in higher education.

For the Dutch results, the outcomes of the analysis described in Chapter 5 were used. As mentioned in that chapter, the student database of the Hanze University of Applied Sciences Groningen was used to select students. Students were drawn randomly out of this database. The German sample was obtained in the same vein, by a random selection of students out of the databases of the following German universities: Fachhochschule Hamburg, Fachhochschule Potsdam, and Hochschule der Medien Stuttgart. For the Italian



sample, the student database of IULM (Università di Lingue e Scienze della Comunicazione, Milano) was used. Due to the limited response from this source, it was supplemented in a later stage by surveys distributed as hard copy to randomly selected students of Bocconi Università, Milano. For the other countries in the test, Bulgaria, Lithuania, and China, we had, unfortunately, no direct access to student databases. Consequently, a different sampling procedure had to be used: in these countries, volunteers distributed hard copies among randomly selected students in higher education.

**Table 8.2.** Country scores based on Hofstede's cultural dimensions (Hofstede & Hofstede, 2005).

	Power distance	Individualism	Masculinity	Uncertainty Avoidance	Long-term Orientation
<b>Bulgaria</b>	70	30	40	85	-
<b>Germany</b>	35	67	66	65	31
<b>Italy</b>	50	76	70	75	34
<b>Lithuania*</b>	45	50	64	67	-
<b>Netherlands</b>	38	80	14	53	44
<b>China</b>	80	20	66	30	118

\* Lithuania is not mentioned in Hofstede & Hofstede (2005). Source: Mockaitis (2002)

### Design

For a valid cross-cultural comparison, not only differences in sample characteristics, but also differences in test design should be minimized. Therefore, all questionnaires were identical to the one described in Chapter 5, containing personal value ratings, brand value ratings, and indicators for brand attachment<sup>44</sup>.

For the results of the Netherlands, the outcomes of the survey described in Chapter 5 were used. This survey was based on the short version of the Value Compass. As was described in Chapter 5, respondents had to rate on a 5-point scale the relevance of each value item in a consumer choice context, by answering to the question "How important is this value for you when you have to make a choice between products or services?". The ratings for the value items were used to construct value types. The respondent's score for each value type was derived from the weighted average score of the value items representing this value type, with weights derived from their factor loadings. We used the factor loadings that had been derived from the outcomes of the test described in Chapter 5 (see Section 5.2).

Data for the other countries were obtained from surveys distributed in these countries. In all surveys, the short version of the Value Compass was used. Questions in all surveys were identical, and the same set of value items was used in each survey. To construct value types, in each country we used the same factor loadings as were used in the Dutch sample. By using identical factor loadings, we forced the value types to have the same structure in each tested country, thereby enabling the possibility to test cross-cultural equivalence of the Value Compass.

To ensure culturally more homogeneous samples, we only used questionnaires filled out by students originating from the country in which they were sampled (e.g., the Italian survey results contain only the answers from Italian nationals; students from non-Italian

<sup>44</sup> In the surveys distributed in China and Bulgaria, only the personal value priorities were evaluated. The surveys used in the other countries also included an evaluation of brand values and brand attachment. The results for the brand values and for brand attachment are not included here. However, the interested reader can contact the author for the detailed results.

origin were filtered out). In Section 4.5 we found that gender effects potentially influence the ordering of value priorities. To correct for these gender effects, the results for each sample were weighted toward an “ideal” distribution of 50% males and 50% females.

In the Netherlands, Germany, and Lithuania, the average English language proficiency of higher education students was considered sufficiently high to distribute the survey in English. In Italy, China, and Bulgaria, countries with a more limited English language proficiency among the average member of the population, a bilingual survey was distributed. Surveys were translated into Italian, Chinese, and Bulgarian, by using a translation-backtranslation procedure. As indicated previously, in the Netherlands, Germany, and in part of the Italian sample, students were sampled through the database of their universities. These students received an email containing a link to the online survey. Where this distribution method was not feasible, the surveys were distributed as hardcopy. Differences in test administration are a potential source of bias. Although, as indicated previously, test results can be standardized in comparative studies to control for these differences, we have to be aware of them when interpreting results. Table 8.3 summarizes details about the language of the survey, the period in which the survey was administered, the sample size per country, and the sampling method used. For the sample size, only the students who completed their personal value priorities were counted as respondents.

**Table 8.3.** *Sample design specifics for the international study of the Value Compass.*

	<i>Survey period</i>	<i>Sample size (n)</i>	<i>Language in which the survey was administered</i>	<i>Sampling method</i>
<b>Bulgaria</b>	2011, Nov. 25 - Dec. 24	150	Bulgarian and English	Hardcopy
<b>Germany</b>	2010, Nov. 1 - Dec. 15	450	English	Online
<b>Italy</b>	2010, Nov. 11 - Dec. 3 2011, April 26 - May 2	340	Italian and English	Online and hardcopy
<b>Lithuania</b>	2010, Nov. 1 - Dec. 15	280	English	Hardcopy
<b>Netherlands</b>	2010, Sept. 12 - Sept. 30	850	English	Online
<b>China</b>	November 2010	180	Chinese (Mandarin) and English	Hardcopy

#### *Method of analysis*

Meaningful cross-cultural comparison is possible only with equivalence of the measurement instrument. The discussion in the previous section showed that measurement equivalence of the Value Compass can be demonstrated by testing for the following levels of equivalence:

1. *Construct equivalence.* The purpose of the first step in the equivalence study is to find support for the existence of each value type of the Value Compass, across all countries in the test. This implies a cross-cultural examination of each of these value types. This examination can be found in the next section.
2. *Factor structure equivalence.* With evidence of factor structure equivalence, we can assume that the Value Compass is composed of the same value types, and that these value types consist of the same items, across all countries in the test. Section 8.5 describes the analysis of factor structure equivalence, together with the analysis of metric equivalence.
3. *Metric equivalence* or factor loading equivalence. Metric equivalence implies equal factor loadings for the value types of the Value Compass, across countries. Evidence of metric equivalence allows for *cross-cultural comparison of the rank ordering* of value priorities. If, however, we want to make a direct *comparison of value ratings* across

cultures, scalar equivalence is required. As explained in the previous section, we do not expect scalar equivalence of the Value Compass, due to cultural differences in response styles. To take these differences in response style into account, a standardization procedure needs to be implemented. Section 8.5 presents supportive evidence for the metric equivalence of the Value Compass, by means of confirmatory factor analysis. After presenting this evidence, countries are compared with standardized results, to allow for a direct comparison of value priority ratings.

4. Interfactor covariance equivalence and error variance equivalence. We will further refer to this step as *model structure equivalence*. A central element of the Value Compass is its structure: values are arranged in a circular pattern that represents the relations between values. Model structure equivalence implies that we find the same pattern of relations between values across countries. In Section 8.6, confirmatory factor analysis is used, in combination with a visual inspection of the value space, to test model structure equivalence of the Value Compass.

Each section first presents the analysis of equivalence, and then continues with the results of the cross-cultural comparison that can be performed at that level of equivalence.

#### **8.4 Construct equivalence of the Value Compass**

The first step in the analysis is the examination of the construct equivalence of the Value Compass. Construct equivalence implies that the value types of the Value Compass, and the value items representing these value types, can be identified in all countries in the test, and have the same meaning in all these countries. An analysis of the cross-cultural meaning of value types necessitates an extensive study of the semantics of each concept, which is beyond the purpose of this study. To compensate for this deficiency, a number of statistical indicators are used to give an indication of the extent to which each value type emerges as a distinct value type in every country in the test. More specifically, this includes the following:

- Cross-cultural analysis of the internal consistency of a value type. In the Value Compass, a value type is represented by a number of value items. These value items give meaning to the value type. A high internal consistency implies that these items are highly correlated, in other words, they share the same meaning. Cronbach's alpha is a commonly applied reliability measure. A slightly different indicator, frequently used in confirmatory factor analysis, is construct reliability. For both Cronbach's alpha and construct reliability, a value of 0.7 or higher indicates a high internal consistency.
- Cross-cultural analysis of discriminant validity. High discriminant validity of a value type ensures that the value type represents a unique aspect of the Value Compass not expressed by the other value types. Mathematically, with a discriminant validity larger than one, the variance extracted by the value type is larger than the covariance it shares with other value types, implying that the value type can be considered to be distinct from these other value types (Hair et al., 2006). A detailed explanation of discriminant validity and construct reliability was presented in Text Box 3.3.

Construct equivalence of the value types was assessed with a cross-cultural analysis of the discriminant validity and the internal consistency of each value type, by means of confirmatory factor analysis (CFA). The results of this assessment are presented in Table 8.4 and 8.5.

Table 8.4 presents the extent to which the value types can be identified as distinct constructs in each country. Similar to the procedure followed in stage 7 of the development process of the Value Compass in Chapter 2, the test of discriminant validity was focused on those value types that are most similar, hence, on neighboring value types: for each

value type, the discriminant validity is listed as compared with the most closely related value type. For instance, in the Italian sample, most closely related to the value type *functionality* is *safety*. Consequently, the discriminant validity between these two value types is listed in the table. The assessment shows that the value types of the Value Compass can, indeed, be identified as separate constructs across the countries in the test, at least for the European countries. In only four cases, the value types do not show adequate discriminant validity. Three out of these four cases are related to the outcomes of the Chinese sample.

**Table 8.4.** Cross-cultural comparison of discriminant validity of value types.

<b>Value type</b>	<b>NL</b>	<b>GE</b>	<b>IT</b>	<b>LT</b>	<b>BG</b>	<b>CH</b>
<b>Functionality</b>	2.07 ( <i>safety</i> )	1.32 ( <i>safety</i> )	1.47 ( <i>safety</i> )	1.27 ( <i>beauty</i> )	2.59 ( <i>beauty</i> )	1.52 ( <i>joy</i> )
<b>Safety**</b>	NA	NA	NA	NA	NA	NA
<b>Honesty**</b>	NA	NA	NA	NA	NA	NA
<b>Social responsibility</b>	2.34 ( <i>care</i> )	2.39 ( <i>care</i> )	2.92 ( <i>care</i> )	2.38 ( <i>care</i> )	3.14 ( <i>care</i> )	1.54 ( <i>care</i> )
<b>Affection</b>	1.16 ( <i>joy</i> )	1.38 ( <i>joy</i> )	1.24 ( <i>joy</i> )	1.25 ( <i>honesty</i> )	1.51 ( <i>stim.</i> )	0.98 ( <i>joy</i> )*
<b>Enjoying life</b>	1.34 ( <i>care</i> )	1.52 ( <i>care</i> )	1.11 ( <i>stim.</i> )	1.46 ( <i>stim.</i> )	1.63 ( <i>stim.</i> )	0.93 ( <i>beauty</i> )*
<b>Stimulation</b>	1.41 ( <i>joy</i> )	1.54 ( <i>joy</i> )	0.90 ( <i>joy</i> )*	1.11 ( <i>prestige</i> )	1.16 ( <i>joy</i> )	1.21 ( <i>joy</i> )
<b>Prestige</b>	1.41 ( <i>beauty</i> )	1.56 ( <i>beauty</i> )	1.94 ( <i>joy</i> )	1.24 ( <i>stim.</i> )	2.01 ( <i>beauty</i> )	0.89 ( <i>beauty</i> )*
<b>Beauty</b>	1.71 ( <i>prestige</i> )	2.17 ( <i>prestige</i> )	1.39 ( <i>joy</i> )	1.69 ( <i>funct.</i> )	2.47 ( <i>prestige</i> )	1.12 ( <i>joy</i> )

\* Value below threshold level of 1.0, indicating poor discriminant validity.

\*\* The value types *safety* and *honesty* are represented with one value item, hence, indicators for the discriminant validity for these two value types do not apply.

Table 8.5 presents the assessment of construct reliability. This assessment demonstrates that, again with the exception of the Chinese sample, most value types show acceptable internal consistency. If we exclude the results of the Chinese sample, the construct reliability ranges from 0.525 (value type *functionality* in the Bulgarian sample) to 0.854 (value type *social responsibility* in the Italian sample), with a median of 0.726. This is substantially higher than the internal consistencies reported in a validation of the Schwartz Value Survey (Schwartz et al., 2001)<sup>45</sup>. Three value types, *functionality*, *prestige*, and *stimulation*, contain a higher degree of variability than the other value types, at least in a number of the country samples. This is potentially caused by the procedure that was followed to construct value types. As noted previously, the value types of the Value Compass were formed by drawing partition lines in the value space. These partition lines created distinct regions in the value space, representing the value types of the Value Compass. The value items within each of these regions cover the full spectrum of meaning attached to the value type defined by the region. Some value types comprise a bigger region, hence, a larger variability. Following Schwartz et al. (2001), we consider the higher degree of variability of the value types *functionality*, *stimulation*, and *prestige* as an indication of a broader spectrum of meaning attached to these value types. The high cross-cultural difference in variability of the value type *functionality*, ranging from CR = 0.525 in the Bulgarian sample to CR = 0.749 in the German sample, indicates a certain amount of cultural divergence in the interpretation of the items comprising this value type, which possibly could be clarified by an additional nomological analysis.

<sup>45</sup> A previous reference to this study was made in Chapter 2. In their study, Schwartz et al. reported internal consistencies ranging from 0.45 to 0.76, with a median of 0.66. In the study by Schwartz et al., Cronbach's alpha was used as indicator. Cronbach's alpha and the construct reliability indicator used in Table 8.5 yield largely similar outcomes.

**Table 8.5** Cross-cultural comparison of internal consistency of value types.

Value type	Number of items in the value type	NL	GE	IT	LT	BG	CH
<i>Functionality</i>	3	0.713	0.749	0.687 *	0.648 *	0.525 *	0.659 *
<i>Safety**</i>	1	NA	NA	NA	NA	NA	NA
<i>Honesty**</i>	1	NA	NA	NA	NA	NA	NA
<i>Social responsibility</i>	3	0.828	0.819	0.854	0.732	0.836	0.694 *
<i>Affection</i>	3	0.763	0.725	0.722	0.625 *	0.736	0.571 *
<i>Enjoying life</i>	3	0.819	0.762	0.714	0.729	0.757	0.614 *
<i>Stimulation</i>	3	0.737	0.698 *	0.626 *	0.652 *	0.623 *	0.576 *
<i>Prestige</i>	3	0.727	0.600 *	0.625 *	0.706	0.650 *	0.532 *
<i>Beauty</i>	3	0.802	0.726	0.782	0.757	0.724	0.685 *

\* Value below threshold level of 0.7, indicating poor internal consistency.

\*\* The value types *safety* and *honesty* are represented with one value item, hence, indicators for the internal consistency for these two value types do not apply.

Another possible reason behind the variability of the value type *functionality* is the nature of this value type: it was defined in the short version of the Value Compass as a combination of the value types *achievement* and *functionality*. This outcome with respect to the value type *functionality* indicates that, when not constrained by practical considerations, the 'full' version of the Value Compass should be preferred to the short version.

The Chinese sample deviates substantially from the European results. None of the Chinese value types meet the norm of  $CR \geq 0.7$ . The Chinese value types do not seem to represent well-defined entities. This, in combination with the limited discriminant validity of some of the Chinese value types, indicates that the value types of the Value Compass, in its present form, do not provide a good fit to the motivating forces underlying Chinese consumer behavior.

Concluding, the results give evidence for the construct equivalence of the value types across the European samples, supporting the existence of these value types as distinct constructs in all European samples. Further support can be provided by supplementing these results with an analysis of the meaning associated with each of the value types, and the value items representing them, however, this is beyond the current purpose of this study. With this evidence of the cross-cultural existence of the value types, we can proceed with the next phase of the validation process: investigating to what extent these values can be combined in each country as a Value Compass. In the cross-cultural comparison, we include the outcomes of the European samples. Since the Chinese outcomes differ substantially from the European outcomes, a comparison with the Chinese data will be done in a separate analysis.

## **8.5 Metric equivalence of the Value Compass**

This section comprises three subsections. In the first subsection, structural and metric equivalence of the Value Compass is assessed. Support for metric equivalence enables a cross-cultural comparison of value rankings. This comparison is provided in Section 8.5.2.

In the last subsection, Section 8.5.3, a cross-cultural comparison of value ratings is provided, based on standardized outcomes.

### 8.5.1 Evidence of metric equivalence

We found support for the cross-cultural existence of the value types of the Value Compass in the previous section. Equivalence of constructs, however, does not imply equivalence of the model by which they are related to each other: the building blocks might be available in each tested country, but this does not necessarily result in an identical building style.

In this section we explore structural equivalence and metric equivalence of the Value Compass. Structural equivalence, also referred to as factor structure equivalence or configural equivalence (Hair et al., 2006; Van de Vijver & Leung, 2011), implies that the Value Compass consists of the same value types in all countries. This is a precondition to metric equivalence. Metric equivalence ensures that also the factor loadings in the Value Compass are identical across countries. With evidence of metric equivalence, we can compare value priority rankings across countries, and we can answer questions such as '*Is honesty a more important motivation for consumer behavior than prestige, in all countries in the test?*'.

#### Test: method, analysis, and results.

**Method.** *The analysis of structural equivalence and metric equivalence is based on the outcomes of the surveys executed in the Netherlands, Germany, Italy, Lithuania, Bulgaria, and China. Considering the somewhat problematic interpretation of the value types in the Chinese data, as presented in the previous section, a separate analysis was executed excluding the Chinese outcomes. The analysis and the results of the analyses are described below.*

**Analysis.** *Equivalence was tested with Confirmatory Factor Analysis (CFA), by using the stepwise procedure described in Section 8.2. The software Lisrel was used to execute the analysis.*

*As a first step in this procedure, the structural equivalence of the Value Compass was examined. To find evidence for structural equivalence, we first needed to test, for each of the six countries, whether the values that motivate consumer behavior can be organized as a value system consisting of eight value types (model A)<sup>46</sup>. Then, in a nested model, this test was performed for all countries simultaneously (model B). This test provided evidence whether the Value Compass is represented in all countries with the same eight value types. With evidence for structural equivalence, we proceeded with the test of metric equivalence: a test of equivalence of factor loadings (model C). If metric equivalence is supported, the importance of value priorities between countries can be compared.*

*RMSEA and CFI were used as indicators of model fit: see Table 8.1 (with equivalence supported if  $RMSEA \leq 0.08$  and  $CFI \geq 0.92$ , and equivalence rejected with  $RMSEA \geq 0.10$  and  $CFI \leq 0.90$ ). Additional support for metric equivalence was found if the decrease in CFI, as compared to the model with structural equivalence, is smaller than or equal to 0.01.*

#### **Results.**

*The test results are presented in Table 8.6.*

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<sup>46</sup> As in the test of hypothesis 5.1, the comparison of the structure of the brand value profile with the structure of the Value Compass, the value types *honesty* and *safety* had to be combined in one factor to enable Lisrel to perform the analysis. The other value types are the value types of the short version of the Value Compass: *care & affection, social responsibility, enjoying life, stimulation, prestige, beauty, and functionality*.

**Table 8.6.** Metric equivalence of the Value Compass.

<b>Model</b>	<b>(Sub)hypothesis</b>	<b><math>\chi^2</math></b>	<b>df</b>	<b>RMSEA</b>	<b>CFI</b>	<b>Decision</b>
A – GE	Value Compass Germany consists of eight factors (n=450)	715.4	202	0.075	0.944	
A – NL	Value Compass Netherlands consists of eight factors (n=850)	952.9	202	0.070	0.963	
A – IT	Value Compass Italy consists of eight factors (n=340)	684.7	202	0.084	0.943	
A – LT	Value Compass Lithuania consists of eight factors (n=280)	533.6	202	0.077	0.972	
A – BG	Value Compass Bulgaria consists of eight factors (n=150)	398.4	202	0.081	0.922	
A – CH	Value Compass China consists of eight factors (n=180)	650.0	202	0.111	0.839	
B	Structural equivalence	2337.6	1212	0.072	0.956	Supported
C	Metric equivalence	2447.6	1287	0.071	0.955	Supported

Adding the extra constraint posed by metric equivalence results in  $\Delta CFI = -0.001$ , as compared to structural equivalence. This is considerably smaller than the criterion value of  $\Delta CFI = -0.01$  (Cheung & Rensvold, 2002).

The results support structural and metric equivalence of the Value Compass, across the countries in the test. The evidence across the European countries is strong. The existence of the value types in China, however, is less evident: both CFA and RMSEA do not meet the criteria for good fit of the Chinese model. Excluding China from the comparison gives an important improvement in the values of RMSEA and CFI, for both the test of structural equivalence and of metric equivalence (see Table 8.7).

**Table 8.7.** Metric equivalence of the Value Compass across the European countries in the test.

<b>Model</b>	<b>(Sub)hypothesis</b>	<b><math>\chi^2</math></b>	<b>df</b>	<b>RMSEA</b>	<b>CFI</b>	<b>Decision</b>
B	Structural equivalence exists for all European countries	1691.0	1010	0.061	0.970	Supported
C	Metric equivalence exists for all European countries	1768.8	1070	0.060	0.970	Supported

Adding the extra constraint posed by metric equivalence results in  $\Delta CFI < -0.001$ , as compared to structural equivalence. This is considerably smaller than the criterion value of  $\Delta CFI = -0.01$  (Cheung & Rensvold, 2002).

The results support metric equivalence of the Value Compass. It needs to be emphasized, however, that the evidence for equivalence is strong for the European countries in the test, but rather weak for the Chinese sample. With support for metric equivalence, it is possible to use the Value Compass to examine the influence of consumer values on choice behavior within the tested countries. This allows for statements such as “In country A, honesty-related values are a more important motivation for brand choice than prestige-related values”. It is also possible to compare the ranking of value priorities between countries, for instance, to analyze whether honesty is more important than prestige in other countries as well. This type of information can be of relevance to brands aiming to position

themselves in several countries. The next subsection provides an overview of similarities and differences in value priority rankings in the tested countries.

Metric equivalence does not allow for statements such as *honesty is more important in country A than in country B*. For this type of direct comparison of the importance of values, we need metric equivalence of the Value Compass, but in addition, we also need to take differences in response styles into account. This is discussed in Section 8.5.3. The equivalence tests in this section do not ensure equivalence of model structure either. Evidence for the universality of the structure of the Value Compass (e.g., *Is honesty opposing prestige in all countries in the test?*) will be examined with the model structure equivalence test presented in Section 8.6.

### **8.5.2 Cross-cultural comparison of value priority rankings**

Individual values are partly a result of a shared cultural background, and partly reflect unique individual experiences (Hofstede, 1980; Schwartz, 1994b; Schwartz & Bardi, 2001). The average of the value priorities within a country reflect this shared cultural background; individual variation around this average reflects unique personality and experience. Previously, we saw that different views emerged with regards to the relation between values and culture. On one extreme, culture has been defined as “*the collective programming of the mind that distinguishes the members of one group or category of people from others*” (Hofstede, 2011). In this view, culture is a major determinant of cross-cultural differences in societal values, and we can expect relatively high differences in the average value priorities between countries. On the other hand, there is the view that emphasizes values as a human universal. In this view, between-country differences in value priorities are limited. In support of this view, a number of studies showed only low to moderate variance in ratings of value priorities across samples from different cultures (Fischer & Schwartz, 2011; Schwartz & Bardi, 2001).

The basic difference between these opposing views does not concern the value dimensions themselves. Both Hofstede (2001) and Schwartz (1992, 1994) emphasize the cross-cultural validity of their value dimensions, and the way they are organized. The difference relates to the value levels. In Hofstede, cultures can be characterized by the importance given to certain values. Schwartz, on the other hand, puts more emphasis on the similarities in value priority levels.

The focus of our research is on consumer choice: the values of the Value Compass motivate consumers to like or to feel attached to brands. The question whether the importance of values is culture-related is relevant to consumer behavior. If the ordering of values is culture-dependent, then brand choice is influenced by the cultural background of the consumer. With the evidence of metric equivalence for the Value Compass, as was demonstrated in the previous section – at least within a European context – value priorities between the tested countries could be compared. This was done by estimating the average value priority rating for each value type in each country, in a procedure identical to the procedure followed to construct the value profile of the Netherlands in Section 4.5. As first step in this procedure, the individual value type ratings were calculated as the weighted average of the scores the individual gave to the value items representing the value type. Weights were derived from the loadings of each item on its value type, as specified in the design section of this chapter. Metric equivalence implies equal factor loadings, hence, the same weights were applied for all countries in the test. Next, for each country, the sample mean for each value type was derived by averaging the results over all individuals. This sample mean was used as an estimate for the country average of the value type.

Table 8.8 presents country averages for the European countries in the study, with, between parentheses, the value priority rankings within the country. For each value type, the



European average was calculated as the unweighted average of the country means of the value type. Based on these European averages, a European baseline ranking was established<sup>47</sup>.

Metric equivalence allows for the comparison of value priority rankings (the numbers between parentheses in the table). When doing so, a striking pattern of similarities can be observed among the European countries. *Safety* and *honesty* are the most important values in all these countries, *prestige* and *stimulation* values are among the least relevant values. A significance test with Spearman's rho confirms that the rank orderings of value priorities in European countries are highly correlated ( $p < 0.01$ ). Concluding, a European hierarchy of value priority rankings emerges. Consumer behavior activates the same values across Europe, ordered in a similar hierarchy of importance. There are a couple of deviations from the European baseline rank ordering. For instance, *honesty* is the most important value in Germany and the Netherlands, whereas *safety* is slightly more important in Italy, Lithuania, and Bulgaria. Italians give a relatively high importance to beauty, and consumption in the Netherlands is more hedonically motivated.

**Table 8.8.** Cross-cultural comparison of value priorities, Europe (Spearman's rho tested with European baseline).

Rank ordering, European baseline		BG	GE	IT	LT	NL
1.Honesty	4.148	4.431 (2)	3.971 (1)	4.204 (2)	4.025 (2)	4.109 (1)
2.Safety	4.087	4.450 (1)	3.792 (2)	4.210 (1)	4.104 (1)	3.880 (2)
3.Functionality	3.946	4.324 (3)	3.691 (3)	4.035 (3)	3.910 (3)	3.771 (4)
4.Enjoying life	3.783	3.926 (5)	3.493 (4)	3.733 (5)	3.887 (4)	3.875 (3)
5.Affection	3.620	3.820 (7)	3.473 (5)	3.462 (7)	3.674 (5)	3.670 (5)
6.Soc.resp.	3.556	3.936 (4)	3.449 (6)	3.513 (6)	3.557 (6)	3.325 (6)
7.Beauty	3.513	3.895 (6)	3.166 (7)	3.744 (4)	3.456 (8)	3.303 (7)
8.Stimulation	3.340	3.756 (8)	3.053 (8)	3.241 (9)	3.380 (9)	3.271 (8)
9.Prestige	3.336	3.651 (9)	3.012 (9)	3.355 (8)	3.527 (7)	3.134 (9)
<b>Country statistics:</b>						
<b>Mean value scores</b>		<b>4.021</b>	<b>3.456</b>	<b>3.722</b>	<b>3.724</b>	<b>3.593</b>
<b>Standard deviation value scores</b>		<b>0.821</b>	<b>0.948</b>	<b>0.928</b>	<b>0.879</b>	<b>0.892</b>
<b>Spearman's rho (<math>r_s</math>)<sup>48</sup></b>		<b><math>r_s = 0.900</math></b>	<b><math>r_s = 1.000</math></b>	<b><math>r_s = 0.850</math></b>	<b><math>r_s = 0.933</math></b>	<b><math>r_s = 0.983</math></b>
<b>Test of rank correlation</b>		<b><math>p &lt; 0.01</math></b>	<b><math>p = 0.00</math></b>	<b><math>p &lt; 0.01</math></b>	<b><math>p &lt; 0.01</math></b>	<b><math>p &lt; 0.01</math></b>

The ranking of Chinese value priorities differs significantly from the European value priority levels (see Table 8.9). In China, like in the European countries, *safety* and *honesty* are the most important values, and *stimulation* the least important. Chinese consumers show a high feeling of responsibility for future well-being. An expression of this sense of responsibility can be observed, for instance, in the Chinese tendency to save more money (Horioka & Wan, 2007) to provide for the future and the studies of their (grand)child(ren). Personal pleasure and (immediate) care for close others, on the other hand, are less relevant for the Chinese consumer. In comparison with European consumers, Chinese

<sup>47</sup> With a sample of five European countries, the sample size is too small to construct a true European baseline value hierarchy of the Value Compass. Formally, we should refer to the average value priority ranking of the five European countries in the study. However, we justify the reference to a baseline here considering the high general agreement in the observed hierarchical ordering of values between countries.

<sup>48</sup> In Tables 8.8 and 8.9, the rank ordering for each country is compared with the European baseline rank ordering

consumers tend to favor the esthetic value (the looks) of a product more than its function. Chinese consumption also seems more oriented toward expressing or confirming status. As was pointed out in the previous sections, the observed differences between the Chinese and the European value hierarchy needs to be interpreted with caution, considering the limited equivalence. On the other hand, these outcomes strengthen the evidence that a different importance is attached in China to partly different values.

**Table 8.9.** Comparison of value priorities, Europe versus China.

<b>Value rank ordering, European baseline</b>		<b>CH</b>
1.Honesty	4.148	3.819 (2)
2.Safety	4.087	4.259 (1)
3.Functionality	3.946	3.540 (8)
4.Enjoying life	3.783	3.625 (5)
5.Affection	3.620	3.553 (7)
6.Social responsibility	3.556	3.700 (3)
7.Beauty	3.513	3.646 (4)
8 Stimulation	3.336	3.154 (9)
9.Prestige	3.340	3.618 (6)
<b>Country statistics:</b>		
<b>Mean value scores</b>	<b>3.703</b>	<b>3.657</b>
<b>St. dev. value scores</b>	<b>0.894</b>	<b>0.850</b>
<b>Spearman's rho (r<sub>s</sub>)</b>		<b>r<sub>s</sub> = 0.500</b>
<b>Test of rank correlation</b>		<b>p = 0.178</b>

Even within Europe, in spite of the observed similarities in importance *rankings*, there are sizeable differences in value *ratings* between countries. The importance of safety values, for instance, differs from 4.45 in Bulgaria to 3.88 in the Netherlands. Substantial differences in value ratings can be observed for the other value types as well. However, these differences can not be directly compared. As pointed out previously, it is not possible to draw any conclusions regarding similarities and differences in the absolute levels of value ratings without correcting for response style. We return to this point in the next section, but first we proceed with a comparison between value priorities for human behavior in general, as uncovered by Schwartz (1992), and the motivations that guide consumer behavior, according to the Value Compass.

The overview above presents evidence for a largely similar ordering of the values of the Value Compass across Europe. A consensus in ordering of value hierarchies was also found for the values in the Schwartz value theory (Schwartz & Bardi, 2001): some value types (e.g., benevolence, self-direction, universalism) appeared in this study as consistently more important across societies than other value types (e.g., tradition, power). Table 8.10, which was earlier presented as Table 2.4 in Chapter 2, shows the pan-cultural baseline of rankings of the value types of Schwartz's value system (Schwartz & Bardi, 2001). This baseline was established with a sample taken from 54 countries.

**Table 8.10.** Pan-cultural ordering of value priorities (Schwartz & Bardi, 2001).

Mean ranking	Value type	Mean rating
1	Benevolence	4.72
2	Self-direction	4.42
3	Universalism	4.42
4	Security	4.38
5	Conformity	4.19
6	Achievement	3.85
7	Hedonism	3.73
8	Stimulation	3.08
9	Tradition	2.85
10	Power	2.35

Below we will compare the hierarchical ordering of values in both systems, although we have to keep in mind that, due to the difference in value activation (life in general in Schwartz's value theory, consumer behavior in the Value Compass), not all value types are comparable between the Value Compass and Schwartz's value theory.

A first observation is that there are similarities between the two value priority rankings. Values related to *honesty* (benevolence in Schwartz's system) and *safety* (security) are important in both baseline rankings, whereas *prestige* (power) and *stimulation* are relatively unimportant. There are also differences in the two value hierarchies. Consumer behavior is more strongly driven by concerns for *safety* and pleasure (*enjoying life*). These two value types are relatively more important in the Value Compass than the comparable values security and hedonism in Schwartz's value theory. Universalism (*social responsibility*), on the other hand, is less important for consumer behavior: people seem to be more concerned about the well-being of all people and of nature as general idea (in Schwartz's value system) than when these values are actually applied during the consumer's decision making process. This possibly provides an explanation for the observed gap between the general attitude toward caring for the environment, and displaying pro-environmental (consumption) behavior (e.g., Kollmuss & Agyeman, 2002): people –when asked– seem to care more for the environment than what becomes evident from their behavior.

### 8.5.3 Cross-cultural comparison of value ratings

The previous results showed a high degree of similarity in value priority *rank ordering* across countries. We could see, for instance, that *security* and *honesty* are important values in all cultures in the sample. A number of culture-specific deviations from the general pattern were visible as well. *Beauty*, for instance, is a more important motive for behavior in Italy than in Germany.

The general agreement in value hierarchies across cultures is consistent with the cross-cultural agreement in value priority orderings in Schwartz's value theory (Schwartz & Bardi, 2001). A study of Fischer and Schwartz (2011) took this a step further by revealing relatively small country differences in average value score *ratings*: country effects seem to account for little variance in most value items. The results of Fischer and Schwartz highlight that individual differences rather than country culture are the critical source of influence

on response to value items<sup>49</sup>. However, in their study, even on an individual level most respondents were shown to agree on the importance (high or low) of a large number of value items, suggesting that there are universal influences on values, over and above any individual or cultural differences. These outcomes seem to oppose other findings (e.g., Hofstede, 1980; Markus and Kitayama, 1991; and Triandis, 1995) that emphasize the variability of values across societies.

Below, we will present a comparison between countries of the importance *ratings* of the consumer values of the Value Compass. As argued earlier, a direct comparison of value ratings between countries is possible only after correcting for differences in response styles. An example illustrates this. The value type *social responsibility* ranks the 6<sup>th</sup> position in both Italy and Germany: this value has a similar priority in both countries. *Social responsibility* receives a rating score of 3.45 in Germany and 3.51 in Italy. Although the rating score in the Italian sample is higher, with these results it is not possible to state that *social responsibility* is relatively more important in Italy. The Italian sample as a whole has a tendency to give more positive answers: the country average value score in the Italian sample is 3.72 as compared to 3.46 in the German sample. This tendency complicates the comparison: is *social responsibility* more important in Italy, or is the higher Italian score caused by the fact that Italians give more positive answers anyway?

As was explained earlier, cultural differences in response styles can be caused by acquiescence bias or extreme response bias. In our results, method bias is also a possible cause: sampling procedures varied to a certain extent between countries (online versus hardcopy surveys). In order to eliminate the effects of these types of bias, a standardization procedure is applied to the data.

### **Procedure to create standardized value type ratings per country**

*The country scores for each value type were adjusted by using within-culture standardization (Fischer, 2004). With this adjustment procedure, the value types are standardized within each country, by setting the mean response of the country at zero and the standard deviation at one, as done in z-transformation. The standardized value type scores for each country were obtained with the following calculation:*

$$\text{Standardized score for value type } i \text{ (} PV_i \text{)} = \frac{PV_i - \text{mean country score}}{\text{standard deviation country score}} .$$

*Scores were taken from Table 8.8. For instance, the standardized score for honesty in Bulgaria was calculated as:*

$$\text{Standardized score for honesty} = \frac{4.431 - 4.021}{0.821} = 0.523 .$$

*With this standardization procedure, differences between countries in mean value type scores (due to acquiescence bias) and differences in standard deviations between countries (due to extreme response bias) are eliminated.*

Standardization does not influence the value priority ranking, but it does enable comparison of the similarities and differences of value ratings between countries (Fischer, 2004). The standardized score for each value type reflects the relative importance of the value type in a country, as compared with its importance in other countries. Table 8.11

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<sup>49</sup> In the study of Fischer and Schwartz, only conformity values appeared to have important cross-cultural differences. However, conformity values are not activated toward consumer behavior: the value types *tradition* and *conformity* do not have a corresponding value type in the Value Compass (see Section 4.4).

presents an overview of the standardized value ratings for each European country in the test, and the standardized ratings for the European baseline.

**Table 8.11.** Cross-cultural comparison of standardized value ratings, Europe.

European baseline rating	BG	GE	IT	LT	NL	
1.Honesty	0.498	0.499 (2)	0.543 (1)	0.519 (2)	0.342 (2)	0.578 (1)
2.Safety	0.430	0.523 (1)	0.354 (2)	0.526 (1)	0.432 (1)	0.322 (2)
3.Functionality	0.272	0.369 (3)	0.248 (3)	0.337 (3)	0.212 (3)	0.200 (4)
4.Enjoying life	0.089	-0.116 (5)	0.039 (4)	0.012 (5)	0.185 (4)	0.316 (3)
5.Affection	-0.093	-0.245 (7)	0.018 (5)	-0.280 (7)	-0.057 (5)	0.086 (5)
6.Soc. resp.	-0.164	-0.104 (4)	-0.007 (6)	-0.225 (6)	-0.190 (6)	-0.300 (6)
7.Beauty	-0.213	-0.153 (6)	-0.306 (7)	0.024 (4)	-0.305 (8)	-0.325 (7)
8.Stimulation	-0.406	-0.323 (8)	-0.425 (8)	-0.518 (9)	-0.391 (9)	-0.361 (8)
9.Prestige	-0.411	-0.451 (9)	-0.468 (9)	-0.395 (8)	-0.224 (7)	-0.515 (9)

The consequence of standardization can be demonstrated by once again comparing the scores for *social responsibility* between Germany and Italy. Standardization does not influence the ranking of value priorities: *social responsibility* still ranks in 6<sup>th</sup> position. But, by removing the differences in response patterns, we can see that *social responsibility* is actually a relatively more important value in Germany than in Italy. This conclusion would not have been possible from the unstandardized scores.

The cross-cultural analysis of the Value Compass reveals differences in importance ratings of values across cultures. The size of these differences can be interpreted by using Cohen's rule of thumb (Cohen, 1992): the effect size of a standardized difference between two items is relevant but small if this difference is at least 0.20 but lower than 0.50, medium if at least 0.50 and lower than 0.80, and large if at least 0.80<sup>50</sup>. From Table 8.11, a number of differences can be observed. According to Cohen's rule of thumb, however, all these differences have to be classified as small. For instance, if we compare Germany and the Netherlands, there are relevant but small differences with respect to *enjoying life* (more important in the Netherlands than in Germany) and *social responsibility* (more important in Germany than in the Netherlands). A comparison between Italy and Germany shows relevant differences for *care & affection* and *social responsibility* (both value types more important in Germany), and for *beauty* (more important in Italy).

Besides these differences in importance ratings between countries, we can also focus on the differences in importance ratings of values within countries. We already observed a cross-culturally similar hierarchical ordering of values, but the standardized ratings allow an assessment of the difference in importance between value ratings. Table 8.11 demonstrates that, for all European countries in the sample, the difference in importance between the most and the least important value type is large (Cohen's  $d > 0.8$ ), and along the same level of magnitude, varying from an absolute difference between highest and lowest rating value of 0.823 (Lithuania) to 1.044 (Italy).

<sup>50</sup> Formally, Cohen's  $d$  is calculated as  $d = \frac{X_1 - X_2}{s}$ , where  $X$  is an absolute group mean and  $s$  is the standard deviation of the baseline group, whereas in our comparison one standardized group mean is compared with another standardized group mean:  $\frac{X_1}{s_1} - \frac{X_2}{s_2}$ . However, standard deviations for the value types in the tested countries are fairly similar, which makes  $\frac{X_1}{s_1} - \frac{X_2}{s_2}$  largely equal to  $\frac{X_1 - X_2}{s}$ . Consequently, we will refer to Cohen's  $d$  as indication for effect sizes.

Table 8.12 presents the comparison of the European baseline with the outcomes for the Chinese sample, which, as mentioned earlier, need to be interpreted with caution. The Chinese outcomes deviate substantially from the European baseline: six out of nine value type have a relevant difference in importance in this comparison, although even in this comparison the differences should all be classified as small.

**Table 8.12.** Cross-cultural comparison of standardized value ratings, Europe versus China.

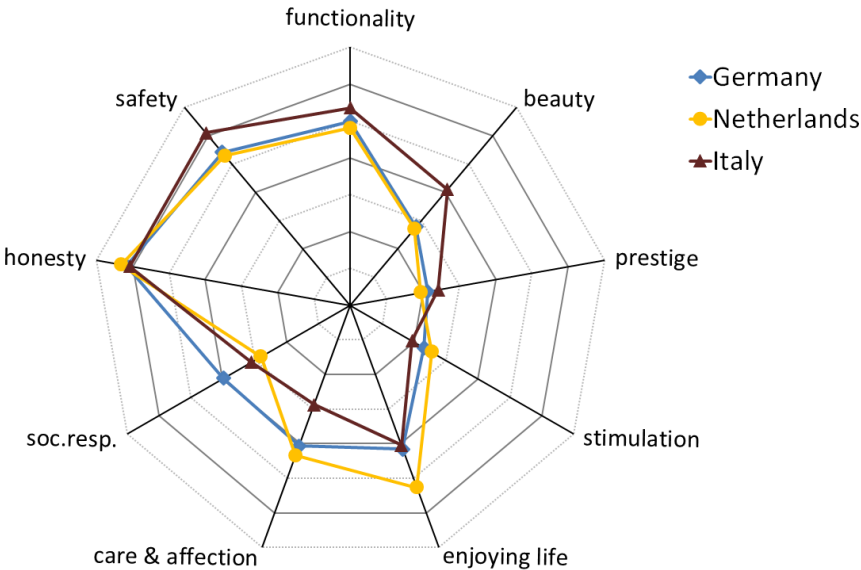
<i>European baseline</i>		<i>China</i>
1.Honesty	0.498	0.191 *
2.Safety	0.430	0.708 *
3.Functionality	0.272	-0.138 *
4.Enjoying life	0.089	-0.038
5.Affection	-0.093	-0.122
6.Soc.resp.	-0.164	0.051 *
7.Beauty	-0.213	-0.013 *
8.Stimulation	-0.406	-0.592
9.Prestige	-0.411	-0.046 *

\* indicates a relevant but small difference, with  $0.2 < d < 0.5$ .

By using standardized value ratings, it is possible to cross-culturally compare results. This is illustrated in the following example, which presents a graphic visualization of a cross-cultural comparison of value ratings.

**Example: visual presentation of country differences in value priorities**

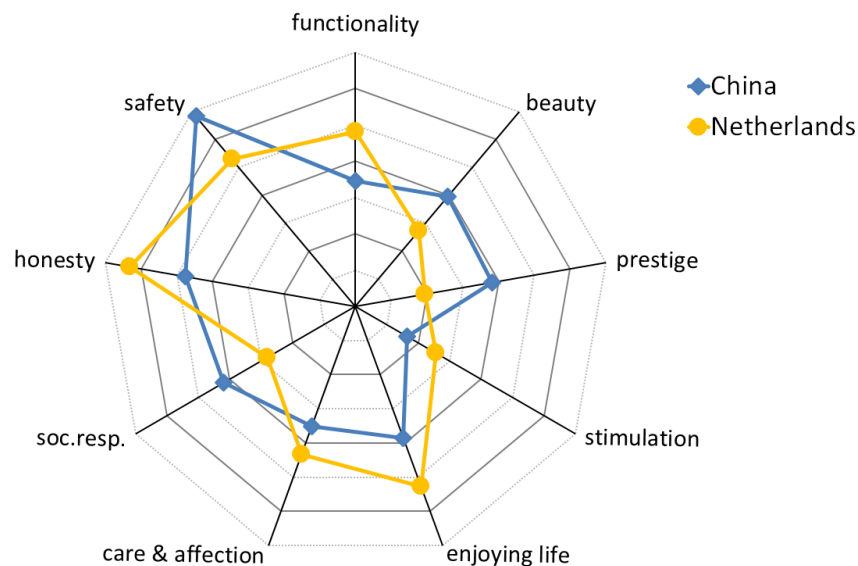
Figure 8.1 provides a comparison of the three Western European countries in the sample: Italy, Germany, and the Netherlands. The figure demonstrates the similarity of value patterns across (Western) European cultures. The value priorities of the three countries are highly correlated. Beneath this baseline of similarities, a number of cultural differences can be identified. The Dutch prefer to enjoy life, Italians emphasize beauty, and Germans favor a more responsible consumption pattern.



**Figure 8.1.** Value Compass: Comparison of Italy, Germany, and the Netherlands.

We can tentatively relate these differences to underlying cultural dimensions, as were uncovered by Hofstede (see Table 8.2 for the scores of the studied countries on these Hofstede dimensions)<sup>51</sup>. Italy, for instance, is a country characterized by masculinity and high power distance, which can be reflected in the relatively high importance of values motivating behavior to create a difference with others (*prestige* and *beauty*). However, not all differences can be directly related to Hofstede's cultural dimensions. For German consumers, for instance, *social responsibility* is an important consideration, much more so than the Netherlands. Hofstede's cultural dimensions do not provide a clear-cut explanation here. In terms of cultural dimensions, there is only one important difference between both countries: Germany is masculine, whereas the Netherlands is a feminine country (see Table 2.8 in Section 2.10). *Social responsibility* is not typically a property of masculine countries. A more likely correlation is expected between the value type *social responsibility* and Hofstede's dimension long-term orientation. However, on this dimension, Germany and the Netherlands only slightly differ, with the Netherlands having a somewhat higher long-term orientation.

Culturally more distant countries can be expected to show larger differences in value priority ratings. This is illustrated by the comparison of China and the Netherlands in Figure 8.2.



**Figure 8.2.** Value Compass: Comparison of the values of China and The Netherlands.

The comparison of the Western Dutch and the Eastern Chinese society reveals considerable differences in value priorities. The closely related value types safety and honesty are relatively important in both societies, but the search for safety is a more central concern for Chinese consumption behavior, whereas the Dutch are more preoccupied with the honesty of the brands they chose.

Social responsibility seems more important in China than in the Netherlands, whereas for Dutch consumers the relation with friends and family is relatively important when consuming. This can explain the importance of gift giving (birthdays, Saint Nicolas) in Dutch society to confirm and stimulate these relations. The higher relevance in China of the value

<sup>51</sup> Differences between cultures can be caused by several (combinations of) factors. With the limitation of the number of countries in the sample, any explanation of causes of cross-cultural differences is tentative. For an adequate analysis of the reasons behind similarities and differences in value ratings between cultures, a larger number of countries is necessary.

type *social responsibility* is possibly connected to the Chinese long-term orientation. But it is more complex to explain why Chinese culture places less value on *care & affection* than Dutch culture. This seems to conflict with the interdependent self-concept in Asian culture, but it is in accordance with the masculinity in Chinese and the femininity in Dutch culture, and with the difference in power distance in both cultures. Schwartz, in his value-based cultural analysis makes a similar observation concerning the Chinese care for close others: China is a culture that legitimates hierarchical differences, but it is not a prototypical collectivist society if we view collectivism as the commitment to promote the well-being of close others (Schwartz, 1994b).

The value types beauty and prestige are more relevant for Chinese than for Dutch consumers. For Chinese buying behavior the esthetic and prestige aspects of a product or service seem at least as important as its functionality: Chinese buy products to make a difference with others or to show their (low or high) position in society. Consumatory activities (like gift giving or restaurant visit) then establish or demonstrate this societal status. This matches with the importance of power distance in Chinese society. In the Netherlands a visit to a restaurant will be more motivated by having a good time with friends and family, or just to have fun. A brand profile emphasizing hedonic values (joy, stimulation) connects better with the individualistic Dutch consumer than with Chinese consumers: consumption for immediate pleasure in the Netherlands as opposed to consumption (or investment) in China to create a higher quality of life in the future.

The divergence in outcomes can be explained by 'real' differences, but the difference between the Chinese and the Dutch (and other European) outcomes can also be related to differences in the content and meaning associated with these values. The translation and backtranslation procedure used to create the Chinese equivalence for the values of the Value Compass ensured the selection of more or less comparable value items, but the associations of Chinese respondents with each of these value items can still be different from their European interpretation. This aspect is important for a generalization of the Value Compass beyond the European (or western) context, but is not further explored here.

## **8.6 Model structure equivalence of the Value Compass**

This section assesses the cross-cultural equivalence of the structure of the Value Compass is assessed. It comprises two subsections. Section 8.6.1 presents an analysis based on confirmatory factor analysis. In Section 8.6.2, model structure equivalence is analyzed by means of a visual inspection of the value spaces of each country in the test.

### **8.6.1 Evidence of model structure equivalence**

The Value Compass is a dynamic value system of compatible and conflicting values. Some value types, for instance, *prestige* and *beauty*, can go hand in hand and reinforce consumer behavior, whereas other values such as *prestige* and *honesty* work in opposite directions. This interrelated structure is an important feature of the Value Compass. This structure was demonstrated with the results of the Dutch sample. Evidence of the universality of this structure is needed before it can be generalized to other countries. The metric equivalence of the Value Compass, as demonstrated in the previous section, implies that we can cross-culturally compare value priorities. Additional evidence is needed showing that the interrelations between values in the Value Compass, their conflicts and compatibilities, are similar in each country in the test. This evidence is provided with the test of model structure equivalence of the Value Compass presented here.

A full equivalence analysis requires one additional test: a test of the equivalence of error variances of value types. Factor loading equivalence (metric equivalence), interfactor



covariance equivalence (model structure equivalence), and error variance equivalence represent what is referred to as tight cross-validation (Hair et al., 2006). In this section, we describe the tight cross-validation of the Value Compass, including an analysis of model structure equivalence and of error variance equivalence. The analysis is presented below.

**Test: method, analysis, and results.**

**Method.** *The analysis of model structure is based on the outcomes of the surveys carried out in the Netherlands, Germany, Italy, Lithuania, Bulgaria, and China. The analysis and the results of the analysis are described below. The analysis is carried out for all the countries in the test. Due to the limited fit of the model for the Chinese sample, an additional test is carried out for only the five European countries.*

**Analysis.** *Equivalence was tested with Confirmatory Factor Analysis (CFA), by using the stepwise procedure described in Section 8.2. The first two steps, assessment of structural and metric equivalence, were already executed in the previous section. Here we focus on an examination of the model structure. In addition to a test of the structural (model B) and metric equivalence (model C), the following steps need to be executed for a tight cross-validation of the Value Compass:*

- *Factor loading and interfactor covariance equivalence (model D). Model D implies model structure equivalence: the system of conflicts and compatibilities between value types is equivalent across the countries in the test.*
- *Factor loading, interfactor covariance, and error variance equivalence (model E). Model E represents the tight cross-validation of the Value Compass.*

*Lisrel was used to execute CFA. RMSEA and CFI were used as indicators of model fit: see Table 8.1 (with equivalence supported if  $RMSEA \leq 0.08$  and  $CFI \geq 0.92$ , and equivalence rejected with  $RMSEA \geq 0.10$  and  $CFI \leq 0.90$ ). Additional support for equivalence is found if  $\Delta CFI \leq 0.01$ , as compared to the previous model in the sequence.*

**Results.**

*The test results over all six countries in the sample are presented in Table 8.13. Table 8.14 presents the result for the five European countries. RMSEA, CFI, and  $\Delta CFI$  were used as indicators.*

**Table 8.13.** *Tight cross-validation of the Value Compass, including the Chinese sample.*

Model	(Sub)hypothesis	$\chi^2$	df	RMSEA	CFI	$\Delta CFI$	Decision
B	Structural equivalence	2337.6	1212	0.072	0.956	-	Supported
C	Metric equivalence	2447.6	1287	0.071	0.955	-0.001	Supported
D	Model structure equivalence	2848.4	1467	0.072	0.947	-0.008	Supported
E	Tight cross-validation of the Value Compass	3386.4	1582	0.080	0.930	-0.017	Partly supported

**Table 8.14.** Tight cross-validation of the Value Compass across the five European countries in the test.

Model	(Sub)hypothesis	$\chi^2$	df	RMSEA	CFI	$\Delta$ CFI	Decision
B	Structural equivalence for all European countries	1691.0	1010	0.061	0.970	-	Supported
C	Metric equivalence for all European countries	1768.8	1070	0.060	0.970	0.000	Supported
D	Model structure equivalence for all European countries	2055.0	1214	0.062	0.964	-0.006	Supported
E	Tight cross-validation of the Value Compass across all European countries in the sample	2490.8	1306	0.071	0.949	-0.015	Partly supported

*Model D, model structure equivalence, is supported by the analysis. The analysis demonstrates that the structure of the Value Compass is a universal structure. Model E, tight cross-validation, is also supported by the test results, although the fit significantly decreases as compared to model D, both when including and excluding the Chinese sample. This implies differences in the error variance between countries. A detailed inspection of the output (not presented here, results are available at the author) showed that the substantial decrease in fit due to inequivalence in error variance is mainly associated with the Lithuanian and Bulgarian samples. A potential cause is the way the surveys were administered. Distribution was in hard copy in Bulgaria and Lithuania, and partly or completely digitally in the other European countries in the test. We conclude that model structure equivalence of the Value Compass is supported by the data, with substantial but not conclusive evidence for error variance equivalence of the Value Compass.*

Equivalence of model structure is supported by the analysis. The analysis demonstrates that the structure of the Value Compass, in terms of compatibilities and conflicts between value types, is a universal structure. This structure, schematically presented in Figure 8.4, can be assumed to be the same across the European countries in the test<sup>52</sup>.



**Fig. 8.4.** Schematic representation of the short version of the Value Compass.

<sup>52</sup> Figure 8.4 is a schematic representation of the short version of the Value Compass. The structure of the ‘complete’ version can be found in Figure 4.1. Both versions present a largely similar structure. Apart from the combination of *functionality* and *achievement* and of *care & affection* and *intimacy*, the value types *beauty* and *prestige* switched order in the short version in Figure 8.4. Apparently, the reduction of the number of values in the short version created some subtle differences in compatibilities and conflicts between the remaining value types. We will not elaborate this point further.

As mentioned before, the Chinese results indicate that caution is necessary with generalizing this model structure to non-western countries, although the results from the Chinese sample do not contradict the European results. Additional evidence is needed before the Value Compass can be generalized to China, or to other non-western countries.

In this section, measurement equivalence of the Value Compass was tested with CFA. An alternative approach is a visual inspection of the structure of the Value Compass by means of multidimensional scaling. This is presented in the next subsection.

### **8.6.2 Model structure equivalence: visual inspection of the value space**

The Value Compass essentially is a value space visualizing the relations between values. Distances between values in this visualization reflect conceptual differences. Values sharing a similar underlying motivation can be grouped together in distinct regions in a value space. These overarching groups are the value types of the Value Compass. The structure of the Value Compass was developed in Chapter 3, and schematically represented in Figure 8.4. In the previous sections we found supportive evidence for the generalizability of this structure: across the European countries in the test, we can assume the same overarching value types, with the same structure of compatibilities and conflicts between them.

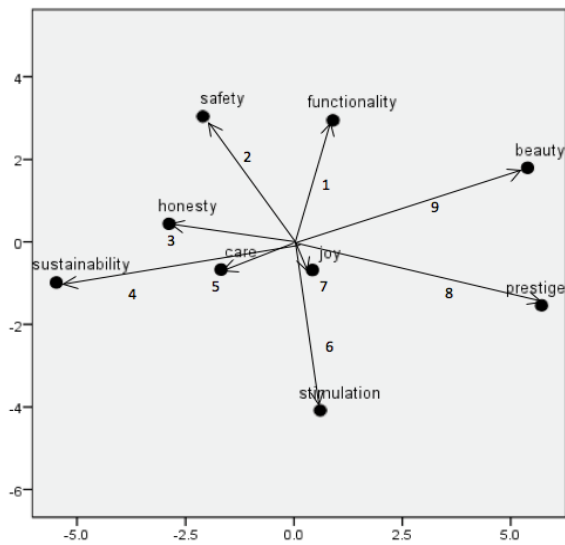
The structure of the Value Compass was derived by means of confirmatory factor analysis. However, it is also possible to investigate the structure by a visual comparison of the value spaces of different countries. Following the results of the previous analysis, we would expect these value spaces to have a similar structure, that is, the structure predicted by Figure 8.4. The outcomes of the comparison of value spaces are presented below. This comparison can be seen as providing additional support to the results of the equivalence tests presented in the previous sections.

#### **Cross-cultural comparison of the structure of the value space**

**Method.** *The analysis of model structure is based the outcomes of the surveys carried out in the Netherlands, Germany, Italy, Lithuania, Bulgaria, and China. The analysis and the results of the analysis are described below. Multidimensional scaling (MDS) was used to verify whether the value structure of each country in the test matches the schematic structure of the Value Compass as shown in Figure 8.4.*

**Analysis.** *The method used by Schwartz et al. (2001) to validate the structure of the PVQ (Portrait Values Questionnaire) was used to compare the structure of the Value Compass across countries. For each country in the test, the nine value types were represented in a value space, by means of multidimensional scaling. The distribution of value types for the Netherlands defined the theoretical structure of the Value Compass. The value type functionality was arbitrarily ranked 1. The rankings for the other value types were assigned counterclockwise: safety received rank 2, honesty rank 3, and so on (see Figure 8.5). This procedure was repeated for all the countries in the test. Spearman's rho ( $\rho$ ) was used to test the match in rank ordering; orderings were tested against the Dutch 'baseline' rank ordering.*

**Results.** *The value space for the Netherlands, with vectors drawn from the origin of the value space to the point representing each value type is presented in Figure 8.5.*



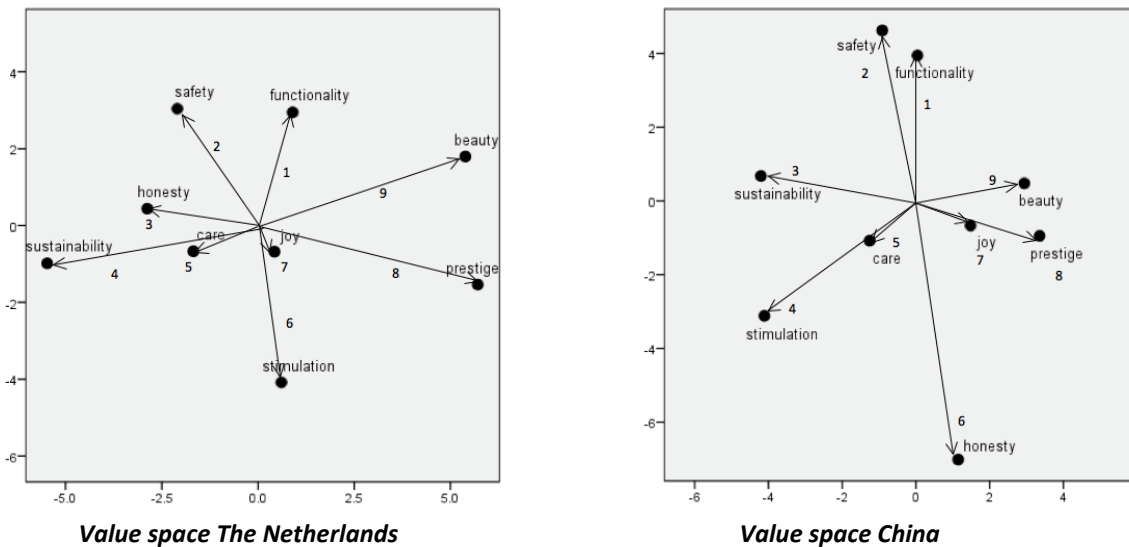
**Fig. 8.5.** Value type structure of the Value Compass, the Netherlands.

The findings support cross-cultural generalizability of the value system structure. We can see in Table 8.15 that, for all European countries in the test, correlations of the structure of value relations with the 'baseline' structure are highly significant ( $p < 0.001$ ). The baseline structure is also confirmed for the Chinese sample, although the Chinese results represent some serious deviations from the baseline.

**Table 8.15.** Ordering of value types in the value space.

Value type	NL	GE	IT	LT	BG	CH
Functionality	1	1	1	1	1	1
Safety	2	2	2	4	4	2
Honesty	3	4	3	2	2	6
Social responsibility	4	3	4	3	3	3
Care & affection	5	5	5	5	5	5
Stimulation	6	7	6	6	6	4
Enjoying life	7	6	7	8	8	7
Prestige	8	8	8	7	7	8
Beauty	9	9	9	9	9	9
<b>Spearman's rho (<math>r_s</math>)</b>	-	$r_s = 0.967$	$r_s = 1$	$r_s = 0.933$	$r_s = 0.933$	$r_s = 0.883$
<b>Test of rank correlation</b>		$p < 0.001$	$p = 0$	$p < 0.001$	$p < 0.001$	$p = 0.003$
<b>(NL is baseline)</b>						

The graphical arrangements of the value spaces for each country support the results of the equivalence test in the previous section. Model structure equivalence for the Value Compass across Europe is supported: values are arranged in a similar pattern across Europe, according to the structure portrayed in Figure 8.4. This is an important finding. We can assume that consumer values can be described in the same terms across all European countries in the test, interacting in the same way when influencing consumer behavior. It also implies that brand value profiles can be described along the same lines across these countries, which enables cross-cultural comparison and interpretation of brand values.



**Fig. 8.6.** Value type structure of the Value Compass, comparison of the Netherlands and China.

We need to mention that we found supportive evidence for the structure of the Value Compass, *within Europe*. The Chinese data present, to a certain extent, a similar structure as the European outcomes. However, these data also show some important deviations from the 'European' structure of the Value Compass, as can be seen from the comparison presented in Figure 8.6. Although most value types occupy a more or less similar location in the value space, the interrelations of the value types *honesty* and *stimulation* diverge markedly in the Chinese data.

## 8.7 Conclusion

Many brands operate in a cross-cultural or global context. Comparability of, for instance, the extent to which a brand's value proposition is perceived in the same way across borders, is important. Consequently, brands need to be analyzed by means of instruments that can be used in a cross-cultural context. For the cross-cultural validation of the Value Compass, the following levels of equivalence were examined: construct equivalence, metric equivalence, and model structure equivalence. With an analysis of the outcomes of samples originating from a number of European countries (Bulgaria, Germany, Italy, Lithuania, and the Netherlands), we found the following results:

- Substantial construct equivalence of the value types of the Value Compass: the value types appear to be meaningful constructs in each of the studied countries; well represented by their value items.
- Support for metric equivalence of the Value Compass, which implies that the Value Compass can be used in each of the studied countries for the evaluation of consumer values. Metric equivalence also implies that importance rankings of values can be compared across these countries.
- Support for model structure equivalence, which implies that the structure of the Value Compass, as found in Chapter 2, can be applied across these European countries.

With these results, we concluded that consumer values and brand values are described in the same terms across Europe, according to the structure proposed by the Value Compass.

When making comparisons across countries, however, it needs to be taken into account that results appear to be influenced by differences in communication style. For instance, Italian respondents consistently gave a higher rating to their personal values than German respondents. In a direct comparison of international outcomes, differences in results due to differences in response style need to be eliminated. Consequently, a standardization procedure has to be applied before international outcomes can be directly compared. After standardizing our response data, we found a high consensus in the ordering of importance of consumer values across Europe: values are consistently more important (e.g., *safety, honesty*) or less important (e.g., *prestige, stimulation*) in motivating brand choice, across the tested countries. Table 8.16 presents the European baseline ranking of consumer values that we found.

**Table 8.16.** *European baseline consumer values.*

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1.	Honesty
2.	Safety
3.	Functionality
4.	Enjoying life
5.	Affection
6.	Soc. resp.
7.	Beauty
8.	Stimulation
9.	Prestige

---

Although there is general agreement in value priority *rankings*, there are consistent differences in importance *ratings* of values between European countries. For instance, we found that pleasure-oriented values are more important in the Netherlands, beauty-oriented values more important in Italy, and social responsibility more important in Germany.

The analysis was replicated with results of a non-European country: China. The Chinese results appeared to diverge significantly from the European baseline value priority ordering. Deviations between Chinese and European results, however, need to be interpreted with caution: the outcomes also yielded only limited evidence of measurement equivalence between the European and the Chinese results. We concluded that additional evidence is needed before the Value Compass can be generalized to non-western societies.



# *Conclusion*



## 9. Summary and conclusions

### 9.1 Introduction

The values concept is used in psychology to identify the motivations underlying behavior. Marketeers borrowed this concept, and used it to define what they call brand values. However, as sometimes happens with borrowed concepts, the contents of the concept and the way it is applied can become detached from its original meaning. In psychology, the human value system is perceived as an integrated structure: actions in the pursuit of any value have consequences that can be consistent with some values, but conflicting with other values. In marketing, however, values are generally not treated as an integrated value system guiding behavior. The view on values in marketing theory is still strongly influenced by Rokeach: values are considered end-states of being, a set of rather abstract motivations that give meaning and importance to the benefits of consumption (Gutman, 1982). With values being rather abstract motivations, the concept did not seem readily applicable to explain consumer behavior, and attention has shifted to other, more 'tangible' imagery aspects such as brand associations and brand benefits. Within branding theory, the distinction between values and personality has become fuzzy (Aaker, 1997; Keller, 2008): we signalled a tendency to use brand personality, a *personality instrument*, as indicator of brand *values*. With this study we intend to align the use of values in marketing with the theoretical foundations of the values concept. Our aim was to develop a value system with relevance to consumer behavior. Three objectives were defined:

- the development of the Value Compass, a value system activated toward consumer choice,
- the assessment of the effect of values on consumer choice ,
- the assessment of the cross-cultural validity of the Value Compass.

Below, the outcomes of our study are summarized (Section 9.2). The limitations of the study are discussed in Section 9.3. The contributions to values theory and to marketing theory are highlighted in the Sections 9.4 and 9.5, respectively. Managerial implications are further specified in the final section of this chapter.

### 9.2 Summary of findings

This research was devoted to values, and the influence they have on consumer behavior. Our study of consumer values was guided by seven propositions. Here, we present the main results pertaining to each proposition.

1. *Values are guiding principles. Values motivate people to make choices that improve their quality of life.*

Economic indicators such as per capita income are widely used as indicators for the quality of life. However, there is an increasing awareness of the importance of other indicators, emphasizing the general feeling of happiness or subjective well-being of the individual. This growing concern is visible in academics (e.g., Deci & Ryan, 2008; Diener, 2000), but is finding its way into policy guidelines as well (e.g., www.un.org, 2011). The emphasis on a more individual, subjective appreciation of quality of life shifts our attention to how a higher quality of life can be attained. This brings us to values. Values are the individual beliefs that a certain end goal is more desirable than another goal, beliefs that can motivate the individual to take action to pursue this goal (Rokeach, 1973; Schwartz, 1992). Values, in other words, guide the individual in making choices that improve his perceived quality of life. The overall quality of life, however, is quite generic, and can lead to defining abstract, broadly defined goals such as *freedom* or *tolerance*. Choices, on the other hand,

are generally made in a specific context. In order to make values into a useful guide to behavior, it makes sense to specify the context. With that purpose in mind, the Value Compass was developed.

2. *A consumer choice situation, being a specific choice context, activates a specific (sub)set of values. This set of values, referred to as the Value Compass, is structured as a dynamic value system of compatible and conflicting values.*

This study was focused on consumer behavior. We found that, indeed, consumers take their own values into consideration when they develop a certain attitude toward a brand, or when they make choices.

With the stepwise approach described in this study, the values guiding consumer choice were revealed. The development of the Value Compass started with a comprehensive list of values, which was composed by means of a lexical approach (De Raad & Van Oudenhoven, 2008). This comprehensive list was submitted to a jury. The jury selected the value items that, according to their judgment, make sense in a consumer choice context. In two survey rounds, those value items were selected that appear most representative for consumer behavior. Exploratory factor analysis with principal component analysis demonstrated that these value items can be categorized in eleven value types. Confirmatory factor analysis confirmed these value types, and helped to define the marker values for each value type: see Table 9.1.

**Table 9.1.** Value Compass: the value types and their marker values.

<b>Care &amp; affection</b>	<b>Intimacy</b>	<b>Honesty</b>	<b>Safety</b>	<b>Social responsibility</b>	
caring for someone	cosiness	honesty	feeling of security	being environment-friendly	
family life	intimacy	keeping a promise	protection	providing for a better world	
friendship	romance	loyalty	safety	recycling	
harmony	sensuality				

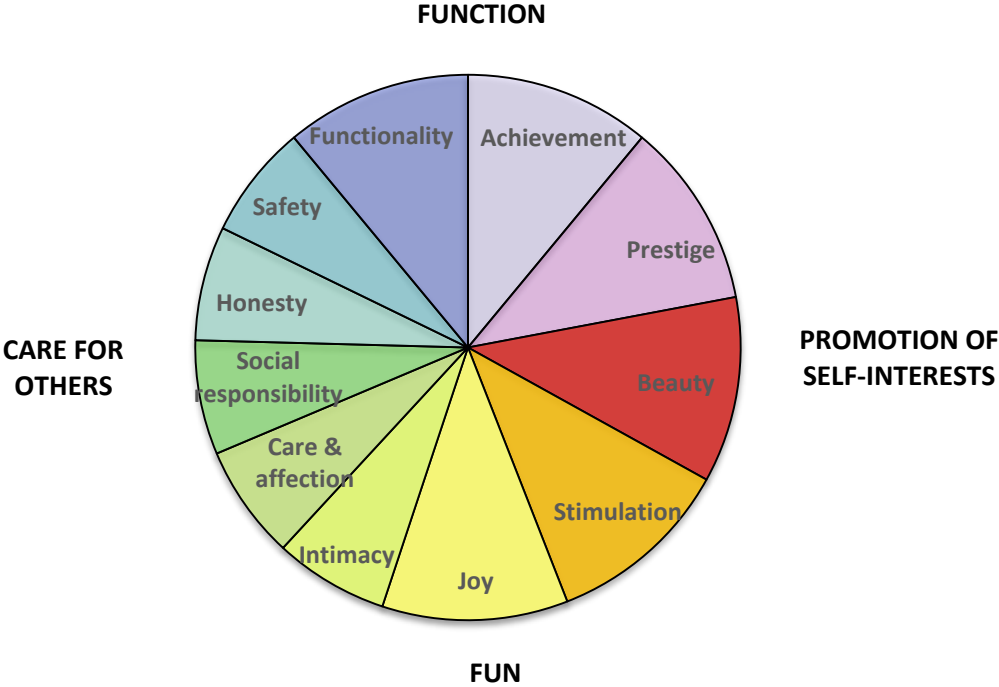
  

<b>Enjoying Life</b>	<b>Stimulation</b>	<b>Prestige</b>	<b>Beauty</b>	<b>Functionality</b>	<b>Achievement</b>
enjoying life	adventure	leadership	beauty	efficiency	innovation
excitement	being active	power	elegance	functionality	intellect
fun	being sportive	status	good-looking	precision	progress
pleasure	courage	being successful	sense of beauty	reliability	smartsolutions

By using multidimensional scaling, consumer values were found to be organized as a value system with a structure resembling the one found by Schwartz (1992): the Value Compass is organized as a value system in which certain values reinforce each other, whereas other values conflict with each other. All consumer values fit this structure, but people differ in the individual importance they give to these values. The circular structure of the Value Compass can be visualized in the form of a value space, which is schematically presented in Figure 9.1. In this value space, values sharing a similar motivational goal are grouped together into value types. Neighboring value types are compatible with each other, whereas opposing value types represent conflicting motivations. The value space is organized along two central dimensions:

- *Promotion of self-interests versus Care for others.* This dimension represents values motivating people to promote their own personal interests or to make a difference with others, as opposed to values motivating choices aimed at living in harmony with others, caring for others, and taking care of others.
- *Fun versus Function.* This dimension represents values motivating people to improve their quality of life by making hedonic choices, as opposed to values motivating them to make utilitarian (functional) choices.

Within each dimension, different types of consumer values can be identified. The fun-dimension is represented by the value types *enjoying life* and *stimulation*, the opposing function-dimension by *functionality* and *achievement*. Self-interests are pursued by values related to *prestige* and *beauty*, whereas care for others is connected to *safety*, *honesty*, *social responsibility*, *affection*, and *intimacy*.



**Fig. 9.1** Schematic representation of the Value Compass.

The two dimensions of the Value Compass present a mix of classifications found in value theory and in marketing theory. The first dimension resembles the dimension self-enhancement versus self-transcendence in Schwartz’s value theory. The second dimension, *Fun versus Function*, is connected to the utilitarian-hedonic distinction frequently found in consumer behavior literature, but can not be retraced in the value system designed by Schwartz.

- 3. *The structure of the brand value system, the perceived value proposition of the brand, is similar to the structure of the consumer’s value system.*

The Value Compass as presented above represents consumer motivations. We can imagine, for instance, that some consumers give higher priority to hedonic motivations, whereas the behavior of others might be more strongly influenced by concerns for prestige or status. Our research demonstrated that people perceive brand values according to a structure resembling the organization of their own value system. Consequently, the value profile of a brand can also be described by the structure proposed by the Value Compass, as presented in Figure 9.1.

- 4. *Brand values stimulate the relationship between the consumer and the brand, by creating an emotional attachment to the brand. Brand attachment, in turn, results in an intention to buy or use the brand.*

The influence of values on consumer behavior is represented by the Brand Value Model in Figure 9.2. This model links brand values to brand attachment. Brand attachment, the emotional attachment to a brand, is an indicator of the relation between the consumer and

the brand. It consists of a number of related dimensions: brand affect, brand passion, brand community, and brand engagement. Brand attachment, in turn, is related to brand performance, as can be expressed by the intention to buy the brand, or the tendency to promote the brand through word-of-mouth.

In our study, we demonstrated the linkages proposed by this model. We showed that there is a positive correlation between brand values and brand attachment: brand values stimulate the emotional attachment to a brand. If we define a stronger brand as being a brand with a higher perceived value content, then this implies that stronger brands generate a higher brand attachment. In line with marketing literature, we also demonstrated that a higher brand attachment leads to a higher performance of the brand.

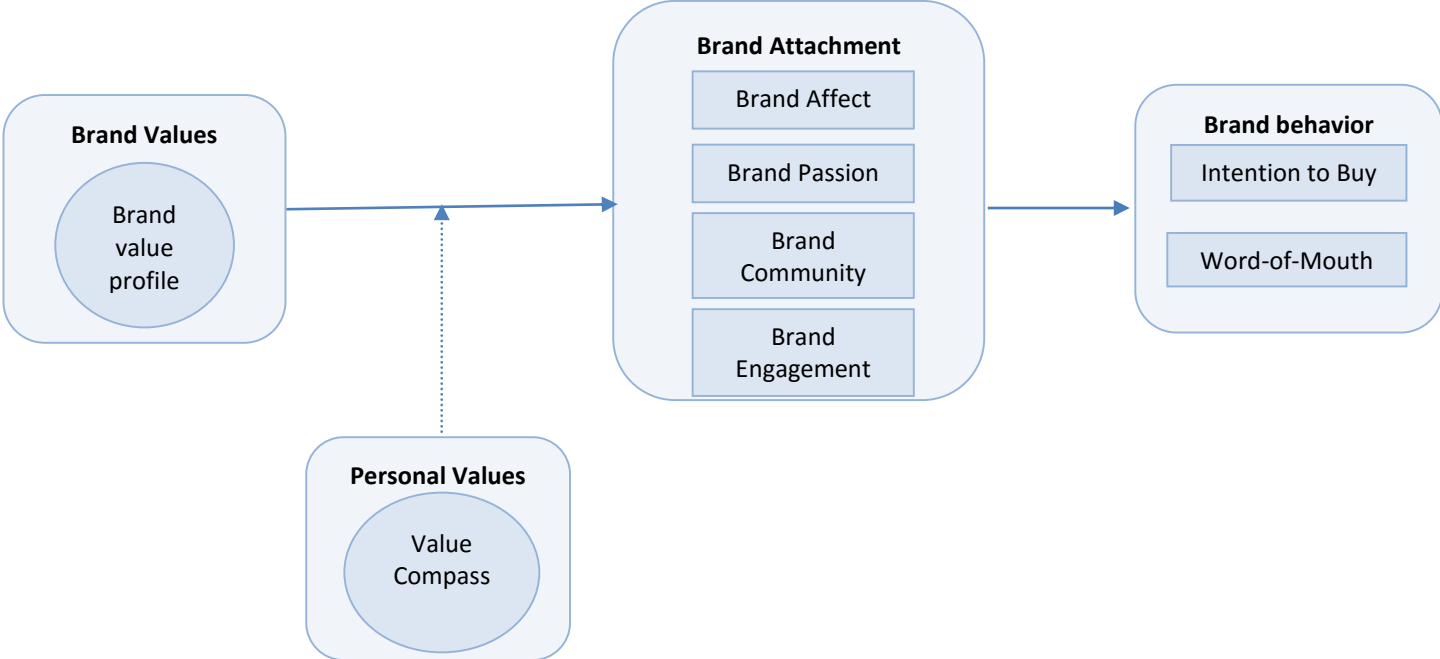


Fig. 9.2. The Brand Value Model.

5. Brand attachment is stronger with a stronger match between the consumer’s value priorities and the perceived brand value profile. This value congruence is more relevant when values are more central to the consumer.

In itself, the conclusion that the performance of a brand is related to its strength, is not a novelty. The advantage of the use of the values concept, however, is that it enables us to map the impact of consumer values on brand attachment, thus on brand performance. This aspect is indicated by the dotted line in the Brand Value Model.

In our research, we confirmed earlier observations that prestige-sensitivity makes people more susceptible to liking brands (e.g., Vigneron & Johnson, 1999). Individuals with a stronger focus on impressing others, value types *prestige* and *beauty*, were shown to have a somewhat stronger tendency to be attached to brands. Individuals for who the opposing value *honesty* is an important value, on the other hand, have a somewhat lower tendency to attach themselves to brands. The influence of personal values on a general disposition to like or dislike branded products was found to be limited. This changes, however, when we consider the effect of value congruence.

Congruence is the match between the individual's self-concept and the image of the brand. The idea of congruence has been applied in combination with other brand concepts (e.g., Kressmann, et al., 2006; Sirgy, 1982). Since the value profile of a brand and the value system of the consumer have a similar structure, the concept is of special relevance to the values concept. Value congruence was defined as the match between the consumer's value priorities and the values proposed by the brand. We demonstrated a significant effect of value congruence: brands indeed realize a higher brand attachment if they manage to create a value profile that matches the value priorities of their consumers.

*6. The brand values concept provides a meaningful alternative to the brand personality concept.*

Currently, the most popular brand concept in the marketing field is the brand personality framework (Aaker, 1997). We argued that brand personality is not a conceptually 'pure' concept: it incorporates a variety of separate constructs, including personality traits, but also values or reflections of the typical buyer (Azoulay & Kapferer, 2003). As a result, concept confusion has led brand personality to become an umbrella covering a variety of other concepts, including values.

We showed that, even when using a conceptually stricter definition of brand personality, the use of a brand values concept has some important advantages over the brand personality framework. The first advantage relates to conceptual structure. Values are structured as a dynamic system of compatible and conflicting values. Consequently, the impact of a certain value on behavior should always be considered in relation to the impact of other values. This emphasizes the importance of taking into account the complete set of values associated with a brand. The Value Compass provides this opportunity: it creates a structure of relations between brand values. Personality traits, on the other hand, are treated conceptually as independent factors. Hence, using a brand personality concept can go no further than a list of personality traits associated with the brand, without clear guidelines for assuming consistencies or conflicting elements in a brand personality profile.

The second advantage of the brand value concept concerns its relation with behavior. Values refer to *what people consider important*. Values have an explicit and direct relation with behavior: they motivate people to make choices. Personality traits, on the other hand, describe *what people are like*. We argued that the conceptual difference between both constructs makes consumer values a better antecedent for consumer behavior than the consumer's personality traits. In our study, we made a comparison between the values of the Value Compass and the personality traits in Aaker's brand personality framework, and their relation with consumer behavior. In this comparison, we found that values, as defined by the Value Compass, indeed have a stronger impact on consumer behavior than personality traits as defined by the brand personality framework.

*7. Compatibilities and conflicts between consumer values are similar across cultures. There are, however, cultural differences in the importance of consumer values.*

Most brands operate in an international context. Therefore, it is important to analyze brands by means of concepts that can be used in an international context. With respect to the brand personality framework, however, a number of studies pointed toward the limited cross-cultural of this framework (Aaker, Benet-Martinez, & Garolera, 2001; Azoulay & Kapferer, 2003; Geuens, Weijters, & De Wulf, 2009).

The cross-cultural validity of the Value Compass was tested with samples taken from a number of European countries: Germany, Italy, the Netherlands, Lithuania, and Bulgaria. The analysis of the test results showed metric equivalence and equivalence of the factor structure of the Value Compass, across these European countries. From this analysis we

concluded that the Value Compass is a model that can be generalized across these countries.

Besides similarities in the structure of the Value Compass in a European context, the cross-cultural analysis also revealed a pattern of similarities in the importance ranking of value priorities. This suggests the existence of a European baseline ranking of value priorities. Table 9.1 presents this European baseline. There are a few deviations from this baseline ranking, for instance, *beauty* is relatively important in Italy, *joy* relatively important in the Netherlands, and *prestige* somewhat more important in Lithuania. Overall, however, the importance ordering of consumer values between European countries is highly correlated.

**Table 9.2.** Cross-cultural comparison of value priorities, Europe

<b>Rank ordering, European baseline</b>	<b>BG</b>	<b>D</b>	<b>IT</b>	<b>LT</b>	<b>NL</b>
1.Honesty	(2)	(1)	(2)	(2)	(1)
2.Safety	(1)	(2)	(1)	(1)	(2)
3.Functionality	(3)	(3)	(3)	(3)	(4)
4.Enjoying life	(5)	(4)	(5)	(4)	(3)
5.Care & affection	(7)	(5)	(7)	(5)	(5)
6.Social responsibility	(4)	(6)	(6)	(6)	(6)
7.Beauty	(6)	(7)	(4)	(8)	(7)
8 Stimulation	(8)	(8)	(9)	(9)	(8)
9.Prestige	(9)	(9)	(8)	(7)	(9)

Application of the Value Compass beyond Europe seems to require further research. The test of the Value Compass with a Chinese sample revealed important deviations from the European structure.

### **9.3 Limitations**

The outcomes of this study were based on an extensive study of the influence of values on consumer behavior, with data collected in a number of geographically dispersed countries. Although the research provided us with interesting outcomes, there are a number of limitations that provide opportunities for further research.

A first limitation relates to the nature of the sample used for this research. Although we refer to the outcomes as being 'results from the Dutch sample', or 'results obtained from Germany', all data in this study were obtained from student samples. Since we took student samples in each country of the study, we ensured cross-cultural comparability of the outcomes across the countries involved. However, since the focus was on only one segment of the population, we cannot ensure generalizability to the whole population. This is a point of difference with, for instance, the sample used for the Schwartz Value Survey, where a more representative sample was taken from each country. To be able to truly generalize the outcomes of the Value Compass, we suggest to replicate this study in a more representative subset of the population.

A second limitation involves the sampled countries. The choice of countries in the cross-cultural analysis was aimed at providing a regional distribution across Europe, but western societies outside Europe, such as the United States or Australia, were not included. Information from these societies, or from the European countries not included in the sample, would provide additional evidence for the generalizability of the Value Compass. Non-western societies were underrepresented in the sample: only one non-western society, China, was entered in the analysis. We observed that the results from the Chinese

sample presented a number of deviations from the other outcomes. Additional data are needed to find out if this is related to incidental factors surrounding this Chinese sample or to the sampling procedure used, or that consumer behavior in Chinese society truly differs from a European or western setting. Since China is hardly representative for non-western societies in general, it is also important to replicate the test of the Value Compass in other non-western societies.

We also need to mention that the sampling method itself had a possible impact on our results. In some of the sampled countries, the survey was distributed as an online survey, whereas in other countries— due to practical considerations – the survey was administered to either part of the sample or to the whole sample in the form of a hardcopy. Although we corrected for differences in response style by using a standardization procedure, the difference in sampling is a potential source of bias. Similarly, the language in which the survey was presented to the respondents potentially causes bias. Even with a translation-back translation procedure, a translated item can be associated with a somewhat different meaning than the original item. Finally, we need to point out that the database used to generate our value items originates from the Netherlands, creating the potential of a culturally biased selection of value items.

The rationale for the development of the Value Compass was that values activated toward a specific setting might be different from values related to life in general. Additionally, we argued that the closer we define values to a behavior of interest, the stronger the link with that behavior. Consumer behavior was our behavior of interest, and we developed the Value Compass as a model to understand consumer choice. Within the context of consumer choice, however, several choice settings can be identified. Hypothetically, each product category defines its own choice context. As an example, the decision to buy a car is a different choice context, with a different level of involvement, than the decision to buy a bottle of beer. It is possible that the impact of values on behavior is not the same across consumer choice settings. In order to validate the generalizability of the Value Compass, we advice to investigate the relation between values and behavior across different consumer behavior settings.

#### **9.4 Contribution to value theory**

The value system that emerged from the studies of Schwartz (1992) represents values as guiding principles in life. In Schwartz's value system, values form a continuum of related motivations. This continuum takes the form of a circular structure, in which neighboring value types express more similar, compatible motivations, whereas opposing value types are clearly distinct from each other and express conflicting motivations. Our research provided additional evidence for the structure in which human values are organized. When activating values toward a specific choice context, namely consumer choice, we found that a value system emerges with a circular structure of compatible and conflicting value types resembling the one predicted by Schwartz (1992).

Schwartz specified that values are guiding principles for life in general, and that they transcend specific actions and situations (Schwartz, 2006). Individuals, however, do not just use their values as guiding principles for life in general: when values motivate a certain behavior, this behavior generally takes place in a specific situation. Each specific choice setting has influence on the importance of values (Seligman & Katz, 1996), and different situations activate different values (Verplanken & Holland, 2002). As pointed out above, in our study of consumer behavior we found a similar structure as predicted by Schwartz. Within the context of consumer choice, some value types in the Value Compass are highly similar to those defined by Schwartz (e.g., *safety*, *stimulation*, *achievement*). However, not all the value types in the Value Compass can be traced back to the ones defined by Schwartz. We observed that a consumer behavior setting activates specific values not found by Schwartz (*beauty*, *intimacy*, *functionality*). Also, certain value types that were

defined by Schwartz (e.g., *tradition, conformity*) appear less relevant to consumer choice: they are not represented in the Value Compass. When we look at the two dimensions organizing the Value Compass, we found that one of these dimensions, *promotion of self-interests versus care for others*, is similar to one of the dimensions organizing Schwartz's value system. However, the other dimension of the Value Compass, *fun versus function*, seems more typical to consumer behavior and can not be traced back to Schwartz (1992).

Values are guiding principles that motivate action when they are activated to a specific context. Consequently, we can only accurately assess the impact of values on behavior if we specify this context. The study of the Value Compass highlighted this for consumer behavior. Within this context, we showed that values indeed influence behavior: consumers are induced to make choices consistent with their value priorities. Their choice motivation can be interpreted as a result of two sets of values: the value priorities of the consumer, and the values that he perceives in the object (e.g., brand) of his choice. Apparently, consumers not simply consider their own value system in isolation: they are actively looking for a match between their own values and the values proposed by the brand.

We can conclude that consumers believe that brands can be characterized by their brand values. In other studies, it was already suggested that individuals can hold perceptions of the value systems of others (e.g., Rohan, 2000). Our study takes this a step further. We showed that 'others' not only refers to other individuals; also inanimate ('non-living') objects and concepts such as brands are perceived to have a value system. The results of our study highlighted that the perceived value structure of an inanimate object, such as a brand, is characterized by a structure that is identical to the value system of an individual.

### **9.5 Contribution to marketing**

The relevance of values to branding is not new to marketing literature: brand values have been referred to as associations that characterize the most important aspects of a brand (Keller, 2008), and many corporations profile their corporate values or brand values prominently. So far, however, brand values were generally conceptualized as a list of unrelated items. The construction of a brand image –the set of aspects, benefits, or values with which the consumer associates a brand– then becomes a creative process for which the marketer has the choice between an undefined number of associations. Although this choice can be guided by a number of considerations, such as the choice for utilitarian benefits as opposed to hedonic benefits, a clear conceptual framework guiding this creative choice process seems to be lacking.

In a number of recent studies, a values-based brand concept was introduced and linked to consumer behavior (e.g., Allen, Gupta, & Monnier, 2008; Torelli et al., 2012; Zhang & Bloemer, 2008). However, these studies used the value system developed by Schwartz (1992) a value system that is not activated toward consumer behavior, and therefore less suitable to this context.

In our study, we proposed the Value Compass, a conceptual framework for a values-based explanation of consumer behavior. The Value Compass is a comprehensive representation of consumer values: by using value theory, we showed that consumer values can be described as a circular structure consisting of values that reinforce each other, and values that conflict with each other. Additionally, we found that brand values can be described according to a structure strongly resembling the consumer's value system. This implies that the Value Compass also provides an instrument that can be used to describe (and to visualize) the value proposition of a brand.

By using the Value Compass, our analysis demonstrated a significant positive influence of values on consumer behavior: brand values congruent with the consumer's value priorities stimulate emotional attachment to the brand which, in turn, leads to buying intentions or



increased word-of-mouth. The Brand Value Model proposed in this thesis visualizes the relation between values and consumer behavior.

In our study, the Value Compass were compared with one of the most commonly used brand concepts, the brand personality framework. We found that this brand personality framework has become an umbrella covering a variety of other concepts, including values (Azoulay & Kapferer, 2003). When comparing brand personality (even when based on a strict, conceptually 'pure' definition) with brand values, we found that the use of a brand values concept has a number of advantages. One of these advantages relates to the conceptual structure: the brand personality framework offers a list of unrelated brand personality aspects, whereas the Value Compass provides a structure by which a brand can be evaluated. Another point of difference concerns the extent to which the concept can be generalized across cultures. The brand personality framework seems to offer only limited cross-cultural validity, whereas the Value Compass was shown to provide a structure that can be used within, at least, a European context. A third advantage concerns the relation with behavior. We found that there is a stronger, and conceptually more straightforward relation between the values of the Value Compass and consumer behavior, as compared to the personality traits in the brand personality framework.

### **9.6 Managerial implications**

Brand equity, the value of a brand, can be viewed from the consumer's perspective or from an organizational perspective (Keller & Lehmann, 2006). Taking the consumer's perspective, a brand is of value to consumers if it matches their demands. This perspective was taken throughout this study: we looked at the value proposition as perceived by the consumer, and the extent to which the brand value proposition matches the consumer's value orientation.

We can also assess brands from the organizational point of view. From this point of view, a brand delivers added value if it helps to attain the objectives the organization wishes to realize with the brand. Branding can be viewed as providing the brand with a value profile that maximizes its contribution to these objectives, by expressing to the consumer, or to other stakeholders, what the brand represents. Brand management can use the Value Compass as an analytical instrument, for the analysis of the current brand value profile, and the match of this value profile with the value system of the consumer. In case this analysis indicates the potential for improvement, the Value Compass can be used as a strategic instrument in the (re)design of the brand image, and as a structure that guides creativity, as it provides guidelines for the creation of a strong and consistent brand value profile.





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# *Appendices*



## Appendix I. Jury judgement of value items

This appendix presents the values administered to the 25 jury members. All jury members received the following introduction:

*Een waarde is "a relatively enduring characteristic of individuals that reflects what is important to them and that guides them in their behaviors and their decisions."*

*Waarden worden doorgaans gekoppeld aan mensen. Mensen leven volgens bepaalde waarden en normen; mensen staan voor bepaalde waarden omdat zij die belangrijk vinden in hun leven. Bij hun keuze voor producten of diensten (en voor bepaalde merken) kunnen deze waarden echter ook een rol spelen. Daarom is het van belang te weten of, en in welke mate, merken ook waarden kunnen vertegenwoordigen.*

*In dit onderzoek worden waarden gekoppeld aan merken. We willen graag weten in hoeverre waarden ook van toepassing kunnen zijn op merken. Dus bijvoorbeeld: "Douwe Egberts staat voor gezelligheid" of "Ik rijd in een Audi A4 vanwege de status die dat merk vertegenwoordigt"*

*De volgende lijst bevat een lijst met waarden. Sommige van deze waarden zullen –als in deze 2 voorbeelden- bruikbaar zijn als merkwaarde, andere waarden niet. Zou je in deze lijst een kruisje willen zetten achter iedere waarde die wat jou betreft in principe ook als merkwaarde gebruikt zou kunnen worden?*

*Probeer "in de volle breedte" aan productcategorieën te denken. Dus bijvoorbeeld:*

- automerken
- verzekeringsproducten
- kantoorartikelen
- supermarktketens
- kledingmerken
- voedingsmiddelen
- etc etc

*Een waarde hoeft niet van toepassing te zijn op iedere productcategorie. Het gaat erom of de waarde in principe voor bepaalde producten of diensten bruikbaar zou kunnen zijn.*

*Dit is bijvoorbeeld te doen door te denken aan statements als:*

- het merk X staat voor bedachtzaamheid / doelbewustheid etc etc
- Ik gebruik merk X omdat dit merk bedachtzaamheid / doelbewustheid etc etc vertegenwoordigt

*Als het statement wat jou betreft zinvol klinkt voor bepaalde typen producten of diensten, kruis dan de desbetreffende waarde aan. Zo niet, dan niet. Het gaat om een eerste indruk. Denk er niet te lang over na.*

An overview of the 671 values, including jury judgement, is presented below. The number of jury members that approved of the value item as brand value, is listed for each item (S: adapted from Schwartz; R: adapted from Rokeach)

verzorgdheid	23	veiligheid	18	krachtig zijn	16
milieubewustzijn	22	vernieuwing	18	fitheid	16
milieuvriendelijkheid	22	individualiteit	18	S-genieten van het leven	16
vakkundigheid	21	romantiek	18	vrouwelijkheid	16
mannelijkheid	21	passie	18	frisheid	16
professionaliteit	20	status	18	aanzien	16
zekerheid	19	comfort	18	schoonheidsgevoel	16
perfectie	19	efficiëntie	17	S-schoonheid	16
eenvoud	19	deskundigheid	17	S-spiritualiteit	16
duurzaamheid	19	kwaliteit van het leven	17	puurheid	16
kwaliteit leveren	19	sportiviteit	17	expertise	15
betrouwbaarheid	19	Functionaliteit	16	klantgerichtheid	15

S - ambitie	15	Inspiratie	12	vindrijkheid	10
vitaliteit	15	S-gevarieerdheid	12	weldoen	10
welzijn	15	humaan zijn	12	vrede	10
rust	15	ambachtelijkheid	12	onschuld	10
recyclen	15	geweldloosheid	12	tolerantie	10
kosmopolitisch zijn	15	gastvrijheid	12	S-loyaliteit	10
gezelligheid	15	trouw	12	kalmte	10
R-een comfortabel leven	15	enthousiasme	12	lichaamsbeweging	10
mooiheid	15	echtheid	12	georganiseerdheid	10
intellect	14	beloftes nakomen	12	accuraatheid	10
respect	14	in balans zijn	12	sociaal zijn	10
duidelijkheid	14	waarheid	12	tevredenheid	10
S - gezondheid	14	ontspanning	12	lachen	10
voorstrevendheid	14	levenskracht	12	spontaniteit	10
zelfstandigheid	14	progressiviteit	12	S-vriendschap	10
avontuurlijkheid	14	expressief zijn	12	solidariteit	10
energiek zijn	14	bezit	12	aandacht	10
ontwikkeling	14	reputatie	12	geborgenheid	10
S_bescherming van de	14	S_autoriteit	12	oprechtheid	10
natuur	14	stijl	12	aantrekkelijkheid	10
mobiliteit	14	gezinsleven	12	competitie	10
hygiëne	14	idealisme	12	nuchterheid	10
humor	14	doelbewustheid	11	S-invloed	10
individualisme	14	competentie	11	nationalisme	10
S-rijkdom	14	privacy	11	trots	10
S - ergens bijhoren	14	S - intelligentie	11	kunstzinnigheid	10
elegantie	14	zuinigheid	11	S_eenheid met de natuur	10
erotiek	14	voortdenken	11	cultuur	10
originaliteit	14	zuiverheid	11	sexualiteit	10
S – creativiteit	14	leiderschap	11	onderscheidingsvermogen	10
S - verantwoordelijkheid	13	slimheid	11	genialiteit	10
lef	13	huiselijkheid	11	Familietraditie	10
S - onafhankelijkheid	13	samenwerking	11	zwangerschap	10
inventiviteit	13	maatschappijverbetering	11	Feminisme	10
voortgang	13	geciviliseerd zijn	11	vaardigheid	9
emancipatie	13	zorgvuldigheid	11	productiviteit	9
precisie	13	nauwkeurigheid	11	keurigheid	9
punctualiteit	13	lol	11	assertiviteit	9
intimiteit	13	levendigheid	11	daadkracht	9
S-plezier	13	zorgzaamheid	11	experimenteren	9
vriendelijkheid	13	genieten van dingen	11	bewegingsvrijheid	9
vrolijkheid	13	vertrouwen	11	realisme	9
vertrouwelijkheid	13	optimisme	11	S - vrijheid	9
levenslust	13	bescherming	11	dapperheid	9
genot	13	S-nieuwsgierigheid	11	identiteit hebben	9
S-eerlijkheid	13	toegankelijkheid	11	carrière	9
welvaart	13	Familieleven	11	vrijheidszin	9
S-succes	13	openheid	11	helderheid	9
wereldverbetering	13	ervaring	11	medemenselijkheid	9
natuur	13	toekomstideaal	11	mensenrechten	9
etiquette	13	actief zijn	11	antiracisme	9
degeijkheid	12	adviseren	11	protectie	9
kennis	12	fantasie	11	liefdadigheid	9
prestaties leveren	12	muzikaliteit	11	ethisch zijn	9
geloofwaardigheid	12	S_traditie	11	historie	9
bruikbaarheid	12	gekwalificeerdheid	10	discipline	9
zelfverzekerdheid	12	discreet zijn	10	serieusheid	9
ondernemingsgeest	12	S - wijsheid	10	attent zijn	9
zelfvertrouwen	12	vakkennis	10	hartelijkheid	9
diversiteit	12	stabiliteit	10	S-liefde	9
moed	12	S - durf	10	sympathie	9
flexibiliteit	12	veelzijdigheid	10	fairheid	9

waarheidsgetrouwheid	9	S_sociale waardering	8	zelfspot	7
moederschap	9	diepzinnigheid	8	S-bescherming van mijn imago	7
behaaglijkheid	9	artistiek zijn	8	volmaaktheid	7
herinnering	9	S+R - innerlijke harmonie	8	R_door anderen geaccepteerd worden	7
vertrouwdheid	9	wetenschappelijkheid	8	eigenliefde	7
betrokkenheid	9	vaderschap	8	levenskunst	7
liberalisme	9	familieband	8	R_schoonheid van natuur en kunst	7
talent hebben	9	doordachttheid	7	fijnzinnigheid	7
non-conformisme	9	motivatie	7	levensbeschouwing	7
S_invloed hebben	9	toewijding	7	geestkracht	7
kunst	9	begrijpelijkheid	7	sexleven	7
uniek zijn	9	fatsoen	7	eergevoel	7
S-bescherming/veiligheid van familie	9	adequaatheid	7	bedachtzaamheid	6
integriteit	9	doelgerichtheid	7	voorzichtigheid	6
eerst denken dan doen	8	conformisme	7	onberispelijkheid	6
gedegenheid	8	besluitvaardigheid	7	toegewijdeid	6
wetenschap	8	S - zelfrespect	7	doorzettingsvermogen	6
geheimhouding	8	capabel zijn	7	plichtsbef	6
zelfbewustzijn	8	afwisseling	7	S - bekwaamheid	6
S - ruimdenkendheid	8	gedrevenheid	7	scholing	6
heldhaftigheid	8	actiebereidheid	7	welgemanierdeid	6
levensvisie	8	geestigheid	7	beschikbaarheid	6
openstaan voor iets	8	ruimhartigheid	7	directheid	6
ontdekken van iets	8	maatschappelijkheid	7	zelfontplooiing	6
extraversie	8	generositeit	7	standvastigheid	6
broederschap	8	verdraagzaamheid	7	meningsvorming	6
gemeenschapsleven	8	S+R-nationale veiligheid	7	exploratie	6
affiniteit met iets hebben	8	nobelheid	7	zelfverbetering	6
vreedzaamheid	8	vredelievendeid	7	wilskracht	6
democratie	8	neutraliteit	7	eigenwaarde	6
ondersteunen	8	onpartijdigheid	7	zelfverdediging	6
leefbaarheid	8	onbedorvenheid	7	moraliteit	6
integratie	8	politiek	7	S+R_wereldvrede	6
menswaardigheid	8	vrijwilligheid	7	onbevooroordeeld zijn	6
devotie	8	S_bescheidenheid (nederigheid)	7	barmhartigheid	6
gestructureerdheid	8	bereidwilligheid	7	consensus	6
helpen	8	collegialiteit	7	mildheid	6
inlevingsvermogen	8	dedicatie	7	medewerken	6
iemand bedanken	8	gulheid	7	S-rechtvaardigheid	6
communiceren met mensen	8	overleven	7	veerkracht	6
naasteliefde	8	grondigheid	7	diplomatie	6
contact	8	goedgezindheid	7	bescheidenheid	6
sensitiviteit	8	emotionaliteit	7	soevereiniteit	6
warmhartigheid	8	mensenliefde	7	ongedwongenheid	6
gevoel	8	hulpbereidheid	7	genueanceerdheid	6
vriendschappelijkheid	8	knuffelen	7	confidentie	6
vreugde	8	dankbaarheid	7	geduld	6
zich amuseren	8	warmte (inter-persoonlijk)	7	ordelijkheid	6
verbondenheid	8	anderen bijstaan	7	S-zelfdiscipline	6
aantrekkingskracht	8	knusheid	7	regelmatigheid	6
saamhorigheid	8	gelukkig zijn	7	goedhartigheid	6
hulpverlening	8	welgemeendheid	7	sensibiliteit	6
gemoedelijkheid	8	hoop	7	blijdschap	6
verzorging	8	samenleven	7	S-behulpzaamheid	6
vrijheid van meningsuiting	8	ouderliefde	7	iemand complimenteren	6
waardigheid	8	zachtaardigheid	7	bevrediging	6
levenservaring	8	begrip	7	S-beleefdheid	6
S-sociale macht	8	openhartigheid	7	moederliefde	6
levensstandaard	8	invoelingsvermogen	7	menselijkheid	6
beloning	8	interactie	7	goedgehumeurdheid	6
		steun	7		

privéleven	6	orde	5	deugdzaamheid	4
luisteren	6	stiptheid	5	eensgezindheid	4
affektie	6	ijver	5	opofferingsgezindheid	4
een overtuiging hebben	6	vriendentrouw	5	omgangsvormen	4
bedrevenheid	6	klaarstaan	5	compromis	4
relativisme	6	menslievendheid	5	verbroedering	4
objectiviteit	6	lief zijn	5	aanpassen	4
een levensdoel hebben	6	gezelschap	5	bewogenheid	4
participatie	6	genegenheid	5	eerbied tonen	4
relativeren	6	tederheid	5	moralisme	4
zelfreflectie	6	compassie	5	onschendbaarheid	4
welstand	6	opvoeding	5	evenwichtigheid	4
eer	6	gemeenschappelijkheid	5	securer zijn	4
bestaanszekerheid	6	bezorgdheid	5	iets afmaken	4
Fijngevoeligheid	6	gemeenschapsgevoel	5	goedaardigheid	4
dromen	6	persoonlijkheid	5	aangenaamheid	4
anarchisme	6	gelijkwaardigheid	5	R-liefhebbend zijn	4
huwelijk (instituut)	6	S-gelijkheid	5	medeleven	4
beschaving hebben	6	interesse	5	opgewektheid	4
een relatie hebben	6	hartstocht	5	eerbied hebben/tonen	4
religie	6	delen	5	waardering	4
godsdiensdigheid	6	content zijn	5	broederliefde	4
geloof	6	blijmoedigheid	5	liefdesleven	4
plichtsgetrouwheid	5	levensruimte	5	aanwezigheid	4
normbesef	5	arbeidsvreugde	5	liefdesrelatie	4
geschooldheid	5	dialogoog	5	goedheid	4
beschaafdheid	5	zelfverwerkelijking	5	gelukzaligheid	4
verstandigheid	5	S-gezag	5	mensenkennis	4
correctheid	5	S_een wereld van		zelfwerkzaamheid	4
doorzetten	5	schoonheid	5	volharding	4
doorgaan met iets	5	reflectie	5	begaafdheid	4
concentratie	5	levensovertuiging	5	zelfbeeld	4
inzet	5	verbeeldingskracht	5	rationalisme	4
ernstig zijn	5	engagement	5	flinkheid	4
leren	5	trouwen	5	S-onthechting; je ergens van	
S - erkenning	5	ouderplicht	5	losmaken	4
vastberadenheid	5	vaderplicht	5	voedsel	4
S - kiezen van eigen		socialisme	5	vrijheid van sexuele	
doelen	5	gelovig zijn	5	oriëntatie	4
karaktervastheid	5	werkwilgheid	4	huwelijksleven	4
wilsvrijheid	5	concreetheid	4	huwelijksrouw	4
R - logica	5	alertheid	4	arbeidsmoraal	4
zelfbeheersing	5	controle	4	S-reinheid	4
monogamie	5	inzicht	4	maagdelijkheid	4
coulant zijn	5	oplettendheid	4	berouw	4
burgerrecht	5	leerzaamheid	4	beheerstheid	3
humanisering.	5	bewustwording	4	volhouden	3
belangeloosheid	5	belezenheid	4	oppassendheid	3
vredigheid	5	princiepelijk zijn	4	consequentheid	3
openbaarheid	5	opmerkzaamheid	4	leergierigheid	3
burencontact	5	mondigheid	4	betekenis	3
gewetensvrijheid	5	doortastendheid	4	werk hebben	3
eerbaarheid	5	handelingsvrijheid	4	S - gehoorzaamheid	3
onbekrompenheid	5	doorvechten	4	redeneervermogen	3
aanpassingsvermogen	5	S + R - een stimulerend		incasseringvermogen	3
arbeidzaamheid	5	leven	4	doorgonden	3
altruïsme	5	zelfbeschikking	4	kordaatheid	3
bezieling	5	vergeving	4	arbeidssatisfactie	3
onbevangenheid	5	S-gematigdheid	4	zelfinzicht	3
vrijgevigheid	5	eerbiedwaardigheid	4	mededeelzaamheid	3
geschiktheid	5	kiesrecht	4	S-vergevingsgezindheid	3
empirisme	5	gelijkgezindheid	4	zedelijkheid	3

grootmoedigheid	3	zelfkritiek	3	goedwilligheid	2
onbaatzuchtigheid	3	vaderliefde	3	bespreekbaarheid	2
rechtschapenheid	3	geloofsovertuiging	3	aanraken	2
trouwhartigheid	3	burgerschap	3	aanspreekbaarheid	2
goedmoedigheid	3	eerzaamheid	3	lichaamscontact	2
eendracht	3	vlijt	2	liefdesverhouding	2
grootmoedigheid	3	befef hebben (van iets)	2	inspraak	2
overeenstemming	3	behoegkracht	2	geleerdheid	2
onzelfzuchtigheid	3	weerbaarheid	2	eten	2
redelijkheid	3	zelfredzaamheid	2	huwelijksplicht	2
S-sociale orde	3	grondwettelijk	2	god	2
gewetensvolheid	3	wettelijkheid	2	discussie	1
assimilatie	3	erbarmen	2	zeggenschap	1
S_vroomheid & toewijding	3	billijkheid	2	kuisheid	1
nauwgezetheid	3	toegeeflijkheid	2	godsdienstvrijheid	1
gevoeligheid	3	achting	2	gebondenheid	1
innigheid	3	rechtsgelijkheid	2	corresponderen	1
aanvoelen	3	duldzaamheid	2	groeten	1
meegaandheid	3	rechtsgevoel	2	bijeenzijn	1
aanmoedigen	3	S_wederkerigheid	2	hechttheid	1
gepastheid	3	behoedzaamheid	2	gemeend	1
conversatie	3	edelmoedigheid	2	zelfbehoud	1
blijgeestigheid	3	gemoedsrust	2	acceptatie van wat je	
S_respect voor ouders en		gezagsgetrouwheid	2	meemaakt in je leven	1
ouderen	3	hoffelijkheid	2	bestaanszin	1
geliefd zijn	3	bemoediging	2	bidden	1
belangstelling	3	acceptatie van dingen	2	stemmen	0
zachtmoedigheid	3	aardig zijn	2	medelijden	0
spraakzaamheid	3	verstandhouding	2	bespreken, dingen	0
geestverwantschap	3	bevestiging krijgen	2		
geletterdheid	3				

## Appendix II. List of value items

### Comprehensive list of 190 brand value items (in English and Dutch).

Value item, English	Value item, Dutch	Value item, English	Value item, Dutch
a comfortable life	R- <b>een comfortabel leven</b>   ,	development	<b>ontwikkeling</b>
accessibility	<b>toegankelijkheid</b>	diversity	<b>diversiteit</b>
accuracy	<b>accuraatheid</b>	down-to-earth	<b>nuchterheid</b>
adventure	<b>nauwkeurigheid</b>	dynamic	<b>energiek zijn</b>
advice	<b>avontuurlijkheid</b>	efficiency	<b>efficiëntie</b>
ambition	<b>adviseren</b>	elegance	<b>elegantie</b>
attention	<b>S - ambitie</b>	emancipation	<b>emancipatie</b>
authenticity	<b>aandacht</b>	enjoying life	<b>levenslust</b>
authority	<b>echtheid</b>	enjoying things	<b>genieten van dingen</b>
beauty	<b>S_ autoriteit</b>	enjoyment	<b>S-genieten van het leven</b>
artistic	<b>S-schoonheid</b>	enthusiasm	<b>enthousiasme</b>
attractive	<b>kunstzinnigheid</b>	entrepreneurship	<b>ondernemingsgeest</b>
being calm	<b>aantrekkelijkheid</b>	environmental protection	<b>S_bescherming van de natuur</b>
being civilized	<b>kalmte</b>	excitement	<b>enthousiasme</b>
being discrete	<b>geciviliseerd zijn</b>	experience	<b>ervaring</b>
being environmentally conscious	<b>discreet zijn</b>	expertise	<b>expertise</b>
being environment-friendly	<b>milieubewustzijn</b>	family life	<b>Familieleven</b>
being goal-oriented	<b>milieuvriendelijkheid</b>	family tradition	<b>gezinsleven</b>
being humane	<b>doelbewustheid</b>	feeling of security	<b>Familietraditie</b>
being idealistic about the future	<b>humaan zijn</b>	feeling of superiority	<b>geborgenheid</b>
being qualified	<b>toekomstideaal</b>	femininity	<b>onderscheidingsvermogen</b>
being sportive	<b>gekwalficeerdheid</b>	feminism	<b>vrouwelijkheid</b>
being unique	<b>sportiviteit</b>	fitness	<b>Feminisme</b>
being up-to-date	<b>individualiteit</b>	flexibility	<b>fitheid</b>
being well-balanced	<b>progressiviteit</b>	freshness	<b>flexibiliteit</b>
being well-organized	<b>in balans zijn</b>	friendliness	<b>frisheid</b>
belonging to something	<b>georganiseerdheid</b>	friendship	<b>vriendelijkheid</b>
carefulness	<b>S - ergens bijhoren</b>	fun	<b>S-vriendschap</b>
caring	<b>zorgvuldigheid</b>	functionality	<b>lol</b>
certainty	<b>verzorgdheid</b>	genius	<b>Functionaliteit</b>
charity	<b>zorgzaamheid</b>	good manners	<b>genialiteit</b>
cheerfulness	<b>zekerheid</b>	good-looking	<b>etiquette</b>
clarity	<b>weldoen</b>	guts	<b>mooiheid</b>
common-sense	<b>vrolijkheid</b>	harmony	<b>lef</b>
competence	<b>duidelijkheid</b>	health	<b>harmonie</b>
competition	<b>nuchterheid</b>	high performance	<b>S - gezondheid</b>
confidence	<b>competentie</b>	homeliness	<b>prestaties leveren</b>
confidentiality	<b>deskundigheid</b>	honesty	<b>huiselijkheid</b>
convenience	<b>competitie</b>	hospitality	<b>S-eerlijkheid</b>
cooperation	<b>vertrouwen</b>	hygiene	<b>gastvrijheid</b>
cosiness	<b>vertrouwelijkheid</b>	idealism	<b>hygiëne</b>
cosmopolitan	<b>comfort</b>	imagination	<b>idealisme</b>
courage	<b>samenwerking</b>	improvement of society	<b>fantasie</b>
craftsmanship	<b>gezelligheid</b>	independence	<b>maatschappijverbetering</b>
creativity	<b>kosmopolitisch zijn</b>	individualism	<b>S - onafhankelijkheid</b>
credibility	<b>moed</b>	individuality	<b>zelfstandigheid</b>
culture	<b>ambachtelijkheid</b>	indulgence	<b>individualisme</b>
curiosity	<b>vakkundigheid</b>	influence	<b>individualiteit</b>
customer orientation	<b>S – creativiteit</b>	ingenuity	<b>genot</b>
daring	<b>geloofwaardigheid</b>	innocence	<b>S-invloed</b>
delivering quality	<b>cultuur</b>	innovation	<b>vindingrijkheid</b>
	<b>S-nieuwsgierigheid</b>	inspiration	<b>onschuld</b>
	<b>klantgerichtheid</b>	intellect	<b>vernieuwing</b>
	<b>S - durf</b>		<b>Inspiratie</b>
	<b>kwaliteit leveren</b>		<b>intellect</b>

**Value item, English**

intimacy  
 keeping a promise  
 knowledge  
 leadership  
 loyalty

masculinity  
 mobility  
 musicality  
 nationalism  
 nature  
 non-violence  
 openness  
 optimism  
 originality  
 passion  
 peace  
 perfection  
 physical exercise  
 pleasure  
 possession  
 power  
 precision  
 pregnancy  
 pride  
 privacy  
 professional expertise  
 professionalism  
 progress  
 progressiveness  
 prosperity  
 protection  
 providing for a better world  
 punctuality  
 purity

quality of life  
 recreation  
 reliability  
 reputation  
 resourcefulness  
 respect  
 respectability  
 responsibility

**Value item, Dutch**

intimiteit  
**beloftes nakomen**  
**kennis**  
**leiderschap**  
**S-loyaliteit**  
**trouw**  
**mannelijkheid**  
**mobiliteit**  
**muzikaliteit**  
**nationalisme**  
**natuur**  
**geweldloosheid**  
**openheid**  
**optimisme**  
**originaliteit**  
**passie**  
**vrede**  
**perfectie**  
**lichaamsbeweging**  
**S-plezier**  
**bezit**  
**krachtig zijn**  
**precisie**  
**zwangerschap**  
**trots**  
**privacy**  
**vakkennis**  
**professionaliteit**  
**voortgang**  
**voorstrevendheid**  
**welvaart**  
**bescherming**  
**wereldverbetering**  
**punctualiteit**  
**puurheid**  
**zuiverheid**  
**kwaliteit van het leven**  
**ontspanning**  
**betrouwbaarheid**  
**reputatie**  
**inventiviteit**  
**respect**  
**aanzien**  
**S - verantwoordelijkheid**

**Value item, English**

romance  
 safety  
 satisfaction  
 self-assurance  
 self-confidence  
 sense of beauty  
 sense of humor  
 sensuality  
 sexuality  
 simplicity  
 sincerity  
 smart solutions  
 solidarity  
 sophistication  
 soundness  
 spirituality  
 spontaneity  
 stability  
 status  
 style  
 successful  
 sustainability  
 temperament  
 thinking ahead  
 cost efficiency  
 to be active  
 to be expressive  
 to be sociable  
 to laugh  
 to recycle  
 tolerance  
 tradition  
 trust  
 truth  
 unity with nature  
 usefulness  
 varied life  
 versatility  
 vitality

wealth  
 well-being  
 wisdom

**Value item, Dutch**

romantiek  
 veiligheid  
 tevredenheid  
 zelfverzekerdheid  
 zelfvertrouwen  
 schoonheidsgevoel  
 humor  
 erotiek  
 seksualiteit  
 eenvoud  
 oprechtheid  
 slimheid  
 solidariteit  
 stijl  
 degelijkheid  
 S-spiritualiteit  
 spontaniteit  
 stabiliteit  
 status  
 stijl  
 S-succes  
 duurzaamheid  
 levendigheid  
 vooruitdenken  
 zuinigheid  
 actief zijn  
 expressief zijn  
 sociaal zijn  
 lachen  
 recyclen  
 tolerantie  
 S\_traditie  
 vertrouwen  
 waarheid  
 S\_ eenheid met de natuur  
 bruikbaarheid  
 S-gevarieerdheid  
 veelzijdigheid  
 levenskracht  
 vitaliteit  
 S-rijkdom  
 welzijn  
 S - wijsheid

### Appendix III. First survey

#### The first survey is the survey used to reduce the set of 190 value items.

The questionnaire presented in this appendix was used to reduce the comprehensive set of 190 value items to a smaller set of relevant brand value items, February 13, 2010 to March 1, 2010. The order of the value items in this questionnaire was randomized across respondents.

#### Questionnaire

##### I am

- male
- female

##### My age is .....

##### What is your nationality?

- Dutch
- other, namely: ...

##### My study program is: .....

A value is 'a relatively enduring characteristic of individuals that reflects what is important to them and that guides them in their behaviors and their decisions.' People live according to certain norms and values; people cherish these values because they think they are important in their life. When choosing for products or services (and brands) these values are relevant as well. In this survey we consider brand values. Brand values are important when making a choice between products. Some values are more important, others less important when you make decisions like purchasing a product or service. We would like to know which brand values are important for you. So , for instance,: "I drive an Audi A4 because of the status this brand represents", or "Benetton stands for sustainability."

The following list is a list of values. Some of these values can be applied to brands, as in the 2 examples mentioned above. Other brand values will not be important for you. Consider a broad range of product categories, for instance:

- cars
- insurance companies
- office supplies
- supermarket chains
- fashion
- food
- etcetera etcetera

Try to think in general: "Which brand values are important for you when you consider to buy a product or service?". Of course not all values are relevant. When buying an insurance product other issues are relevant than, for instance, buying perfume. A value does not have to be an appropriate brand value in every product category. Below you will find a list of brand values. Please indicate the importance of each of these values: 1 implies very unimportant, 5 means very important. Mark 6 if you don't know, or if you don't understand the meaning of the value.

This survey is about your first impression. Don't think too long about your answers.

attention	1	2	3	4	5	6	respectability	1	2	3	4	5	6
attractive	1	2	3	4	5	6	to be active	1	2	3	4	5	6



advice	1	2	3	4	5	6	resourcefulness	1	2	3	4	5	6
adventure	1	2	3	4	5	6	being calm	1	2	3	4	5	6
keeping a promise	1	2	3	4	5	6	knowledge	1	2	3	4	5	6
protection	1	2	3	4	5	6	customer orientation	1	2	3	4	5	6
reliability	1	2	3	4	5	6	cosmopolitan	1	2	3	4	5	6
possession	1	2	3	4	5	6	power	1	2	3	4	5	6
usefulness	1	2	3	4	5	6	artistic	1	2	3	4	5	6
convenience	1	2	3	4	5	6	delivering quality	1	2	3	4	5	6
competence	1	2	3	4	5	6	quality of life	1	2	3	4	5	6
competition	1	2	3	4	5	6	to laugh	1	2	3	4	5	6
culture	1	2	3	4	5	6	guts	1	2	3	4	5	6
soundness	1	2	3	4	5	6	leadership	1	2	3	4	5	6
being discrete	1	2	3	4	5	6	temperament	1	2	3	4	5	6
diversity	1	2	3	4	5	6	enjoying life	1	2	3	4	5	6
being goal-oriented	1	2	3	4	5	6	physical exercise	1	2	3	4	5	6
clarity	1	2	3	4	5	6	Fun	1	2	3	4	5	6
sustainability	1	2	3	4	5	6	improvement of society	1	2	3	4	5	6
authenticity	1	2	3	4	5	6	masculinity	1	2	3	4	5	6
simplicity	1	2	3	4	5	6	being environmentally						
efficiency	1	2	3	4	5	6	conscious	1	2	3	4	5	6
elegance	1	2	3	4	5	6	being environment-friendly	1	2	3	4	5	6
emancipation	1	2	3	4	5	6	mobility	1	2	3	4	5	6
dynamic	1	2	3	4	5	6	courage	1	2	3	4	5	6
enthusiasm	1	2	3	4	5	6	good-looking	1	2	3	4	5	6
excitement	1	2	3	4	5	6	musicality	1	2	3	4	5	6
sensuality	1	2	3	4	5	6	nationalism	1	2	3	4	5	6
experience	1	2	3	4	5	6	nature	1	2	3	4	5	6
good manners	1	2	3	4	5	6	accuracy	1	2	3	4	5	6
expertise	1	2	3	4	5	6	common-sense	1	2	3	4	5	6
to be expressive	1	2	3	4	5	6	down-to-earth	1	2	3	4	5	6
family tradition	1	2	3	4	5	6	entrepreneurship	1	2	3	4	5	6
imagination	1	2	3	4	5	6	feeling of superiority	1	2	3	4	5	6
feminism	1	2	3	4	5	6	innocence	1	2	3	4	5	6
fitness	1	2	3	4	5	6	recreation	1	2	3	4	5	6
flexibility	1	2	3	4	5	6	development	1	2	3	4	5	6
freshness	1	2	3	4	5	6	openness	1	2	3	4	5	6
functionality	1	2	3	4	5	6	sincerity	1	2	3	4	5	6
hospitality	1	2	3	4	5	6	optimism	1	2	3	4	5	6
feeling of security	1	2	3	4	5	6	originality	1	2	3	4	5	6
being civilized	1	2	3	4	5	6	passion	1	2	3	4	5	6
being qualified	1	2	3	4	5	6	perfection	1	2	3	4	5	6
credibility	1	2	3	4	5	6	precision	1	2	3	4	5	6
genius	1	2	3	4	5	6	high performance	1	2	3	4	5	6
enjoying things	1	2	3	4	5	6	privacy	1	2	3	4	5	6
indulgence	1	2	3	4	5	6	professionalism	1	2	3	4	5	6
being well-organized	1	2	3	4	5	6	being up-to-date	1	2	3	4	5	6
non-violence	1	2	3	4	5	6	punctuality	1	2	3	4	5	6
cosiness	1	2	3	4	5	6	purity	1	2	3	4	5	6
family life	1	2	3	4	5	6	to recycle	1	2	3	4	5	6
harmony	1	2	3	4	5	6	a comfortable life	1	2	3	4	5	6
homeliness	1	2	3	4	5	6	reputation	1	2	3	4	5	6
being humane	1	2	3	4	5	6	respect	1	2	3	4	5	6
sense of humor	1	2	3	4	5	6	romance	1	2	3	4	5	6
hygiene	1	2	3	4	5	6	Rest	1	2	3	4	5	6
idealism	1	2	3	4	5	6	ambition	1	2	3	4	5	6
being well-balanced	1	2	3	4	5	6	creativity	1	2	3	4	5	6
individualism	1	2	3	4	5	6	daring	1	2	3	4	5	6
being unique	1	2	3	4	5	6	belonging to something	1	2	3	4	5	6
individuality	1	2	3	4	5	6	health	1	2	3	4	5	6
inspiration	1	2	3	4	5	6	intelligence	1	2	3	4	5	6
intellect	1	2	3	4	5	6	responsibility	1	2	3	4	5	6
intimacy	1	2	3	4	5	6	wisdom	1	2	3	4	5	6
							authority	1	2	3	4	5	6

environmental protection	1	2	3	4	5	6
unity with nature	1	2	3	4	5	6
tradition	1	2	3	4	5	6
cooperation	1	2	3	4	5	6
sense of beauty	1	2	3	4	5	6
honesty	1	2	3	4	5	6
sexuality	1	2	3	4	5	6
enjoyment	1	2	3	4	5	6
varied life	1	2	3	4	5	6
influence	1	2	3	4	5	6
smart solutions	1	2	3	4	5	6
curiosity	1	2	3	4	5	6
to be sociable	1	2	3	4	5	6
solidarity	1	2	3	4	5	6
pleasure	1	2	3	4	5	6
spontaneity	1	2	3	4	5	6
being sportive	1	2	3	4	5	6
wealth	1	2	3	4	5	6
beauty	1	2	3	4	5	6
spirituality	1	2	3	4	5	6
successful	1	2	3	4	5	6
stability	1	2	3	4	5	6
status	1	2	3	4	5	6
sophistication	1	2	3	4	5	6
style	1	2	3	4	5	6
friendship	1	2	3	4	5	6
satisfaction	1	2	3	4	5	6
accessibility	1	2	3	4	5	6
being idealistic about the future	1	2	3	4	5	6
tolerance	1	2	3	4	5	6
pride	1	2	3	4	5	6
loyalty	1	2	3	4	5	6
professional expertise	1	2	3	4	5	6
craftsmanship	1	2	3	4	5	6
versatility	1	2	3	4	5	6
safety	1	2	3	4	5	6
innovation	1	2	3	4	5	6
confidentiality	1	2	3	4	5	6
confidence	1	2	3	4	5	6
trust	1	2	3	4	5	6
caring	1	2	3	4	5	6
ingenuity	1	2	3	4	5	6
vitality	1	2	3	4	5	6
thinking ahead	1	2	3	4	5	6
progress	1	2	3	4	5	6
progressiveness	1	2	3	4	5	6
peace	1	2	3	4	5	6
friendliness	1	2	3	4	5	6
cheerfulness	1	2	3	4	5	6
femininity	1	2	3	4	5	6
Truth	1	2	3	4	5	6
Charity	1	2	3	4	5	6
prosperity	1	2	3	4	5	6
well-being	1	2	3	4	5	6
providing for a better world	1	2	3	4	5	6
certainty	1	2	3	4	5	6
independence	1	2	3	4	5	6
self-confidence	1	2	3	4	5	6
self-assurance	1	2	3	4	5	6
carefulness	1	2	3	4	5	6
cost efficiency	1	2	3	4	5	6
pregnancy	1	2	3	4	5	6

## Appendix IV. Second survey

**The second survey is the survey used to test the Brand Value Profile, and to test the universality of the Value Compass.**

*The questionnaire in this appendix was used to test the relations predicted by the Brand Value Profile, September 12, 2010 to September 30, 2010. The test of the Brand Value Profile is described in the Chapters 5 and 6.*

*The same questionnaire was used to test the universality of the Value Compass, as described in Chapter 8. It was administered in English in Lithuania and Germany. A bilingual version was used to test the Value Compass in Italy, Bulgaria, and China. For the translations used in these versions, see below.*

### Values with their translation in Italian, Bulgarian, and Chinese

<b>English</b>	<b>Italian</b>	<b>Bulgarian</b>	<b>Chinese</b>
<i>Caring for someone</i>	<i>Avere cura di qualcuno</i>	грижа за някого	关心他人
<i>Family life</i>	<i>Vita familiare</i>	семеен живот	居家生活
<i>Friendliness</i>	<i>Amichevole</i>	приветливост, доброжелателност	友善
<i>Honesty</i>	<i>Onesto</i>	честност	诚实质朴
<i>Safety</i>	<i>Sicurezza</i>	безопасност	安全
<i>Being environment-friendly</i>	<i>Rispettoso dell'ambiente</i>	с грижа за околна среда	环保
<i>Providing for a better world</i>	<i>Utile al pianeta</i>	грижа за по-добър свят	倡导一个更好的世界
<i>Recycling</i>	<i>Riciclabile</i>	рециклиране	回收利用
<i>Enjoying life</i>	<i>Gioia di vivere</i>	наслада от живота	享受生活
<i>Excitement</i>	<i>Eccitante</i>	силни усещания	刺激
<i>Fun</i>	<i>Divertente</i>	забава	乐趣
<i>Adventure</i>	<i>Avventura</i>	приключения	冒险
<i>Being active</i>	<i>Attivo</i>	активност, действеноост	积极主动
<i>Being sportive</i>	<i>Sportivamente accattivante</i>	веселост, игривост	以运动为主题
<i>Power</i>	<i>Forza</i>	сила	能力
<i>Status</i>	<i>Stato (sociale)</i>	статут	地位
<i>Being successful</i>	<i>Di successo</i>	успех	成功
<i>Beauty</i>	<i>Bello</i>	красота	美丽
<i>Elegance</i>	<i>Elegante</i>	елегантност	高贵典雅
<i>Style</i>	<i>Stile</i>	стил	风格
<i>Expertise</i>	<i>Professionalità</i>	експертно познание	专家意见
<i>Functionality</i>	<i>Funzionale</i>	функционалност	功能性
<i>Smart solutions</i>	<i>Innovativo</i>	умни решения	智能方案

## Questionnaire

### I am

- male  
 female

### My age is .....

### What is your nationality?

- Dutch  
 other, namely: ...

### My study program is: .....

A value is 'a relatively enduring characteristic of individuals that reflects what is important to them and that guides them in their behaviors and their decisions.' People live according to certain norms and values; people cherish these values because they think they are important in their life. When choosing for products or services (and brands) these values are relevant as well. In this survey we consider brand values. Brand values are important when making a choice between products. Some values are more important, others less important when you make decisions like purchasing a product or service. We would like to know which brand values are important for you. So, for instance: "I drive an Audi A4 because of the status this brand represents", or "Benetton stands for sustainability."

The following list is a list of values. Some of these values can be applied to brands, as in the 2 examples mentioned above. Other brand values will not be important for you. Consider a broad range of product categories, for instance:

- cars
- insurance companies
- office supplies
- supermarket chains
- fashion
- food
- etcetera etcetera

Try to think in general: "Which brand values are important for you when you consider to buy a product or service?". Of course not all values are relevant. When buying an insurance product other issues are relevant than, for instance, buying perfume. A value does not have to be an appropriate brand value in every product category. Below you will find a list of brand values. Please indicate the importance of each of these values: 1 implies very unimportant, 5 means very important. Mark NA (not applicable) if you don't know, or if you don't understand the meaning of the value.

This survey is about your first impression. Don't think too long about your answers.

<i>Value</i>	<i>very unimportant</i>		<i>...</i>		<i>very important</i>	
Trust	1	2	3	4	5	NA
Reliability	1	2	3	4	5	NA
Being sportive	1	2	3	4	5	NA
Improving society	1	2	3	4	5	NA
Caring for someone	1	2	3	4	5	NA
Power	1	2	3	4	5	NA
Optimism	1	2	3	4	5	NA
Style	1	2	3	4	5	NA
Romance	1	2	3	4	5	NA
Being environment-friendly	1	2	3	4	5	NA
Craftsmanship	1	2	3	4	5	NA

Being active	1	2	3	4	5	NA
Common sense	1	2	3	4	5	NA
Safety	1	2	3	4	5	NA
Passion	1	2	3	4	5	NA
Expertise	1	2	3	4	5	NA
A comfortable life	1	2	3	4	5	NA
Functionality	1	2	3	4	5	NA
Courage	1	2	3	4	5	NA
Smart solutions	1	2	3	4	5	NA
Independence	1	2	3	4	5	NA
Providing for a better world	1	2	3	4	5	NA
Beauty	1	2	3	4	5	NA
Guts	1	2	3	4	5	NA
Enjoying life	1	2	3	4	5	NA
Status	1	2	3	4	5	NA
Family life	1	2	3	4	5	NA
Adventure	1	2	3	4	5	NA
Well-being	1	2	3	4	5	NA
Fun	1	2	3	4	5	NA
Recycling	1	2	3	4	5	NA
Elegance	1	2	3	4	5	NA
Being succesful	1	2	3	4	5	NA
Friendliness	1	2	3	4	5	NA
Quality of life	1	2	3	4	5	NA
Excitement	1	2	3	4	5	NA
Cosiness	1	2	3	4	5	NA
Honesty	1	2	3	4	5	NA

**A brand can represent certain values. Four brands will be presented below. Could you indicate to what extent each of these brands represent the values listed below (e.g., ‘Audi represents strength’)<sup>53</sup>. Please mark the number which fits most to your personal opinion, with 1 being strongly disagree, and 5 being strongly agree. Circle NA (Not Applicable) if you don’t understand the word, or if you consider the value not applicable.**

<i>Audi represents:</i>	<i>strongly disagree</i>	<i>...</i>	<i>strongly agree</i>			
Trust	1	2	3	4	5	NA
Reliability	1	2	3	4	5	NA
Being sportive	1	2	3	4	5	NA
Improving society	1	2	3	4	5	NA
Caring for someone	1	2	3	4	5	NA
Power	1	2	3	4	5	NA
Optimism	1	2	3	4	5	NA
Style	1	2	3	4	5	NA
Romance	1	2	3	4	5	NA
Being environment-friendly	1	2	3	4	5	NA
Craftsmanship	1	2	3	4	5	NA
Being active	1	2	3	4	5	NA
Common sense	1	2	3	4	5	NA
Safety	1	2	3	4	5	NA
Passion	1	2	3	4	5	NA
Expertise	1	2	3	4	5	NA
A comfortable life	1	2	3	4	5	NA
Functionality	1	2	3	4	5	NA
Courage	1	2	3	4	5	NA

<sup>53</sup> Each respondent was presented three to four brands. Brands were randomly administered by the software. The order in which the values were presented was also randomized by the software. In countries where the survey was distributed as hardcopy (China, Bulgaria, Lithuania, and partly in Italy), different hard copy versions of the questionnaire were distributed. In this appendix, Audi is used as example.

Smart solutions	1	2	3	4	5	NA
Independence	1	2	3	4	5	NA
Providing for a better world	1	2	3	4	5	NA
Beauty	1	2	3	4	5	NA
Guts	1	2	3	4	5	NA
Enjoying life	1	2	3	4	5	NA
Status	1	2	3	4	5	NA
Family life	1	2	3	4	5	NA
Adventure	1	2	3	4	5	NA
Well-being	1	2	3	4	5	NA
Fun	1	2	3	4	5	NA
Recycling	1	2	3	4	5	NA
Elegance	1	2	3	4	5	NA
Being succesful	1	2	3	4	5	NA
Friendliness	1	2	3	4	5	NA
Quality of life	1	2	3	4	5	NA
Excitement	1	2	3	4	5	NA
Cosiness	1	2	3	4	5	NA
Honesty	1	2	3	4	5	NA

**Finally, we would like to know, in general, what your attitude is towards each of the brands in the research. Please circle the number which fits most to your personal opinion, with 1 being totally disagree and 5 totally agree. Circle NA (Not Applicable) if you don't understand the word, or if you consider the value not applicable.**

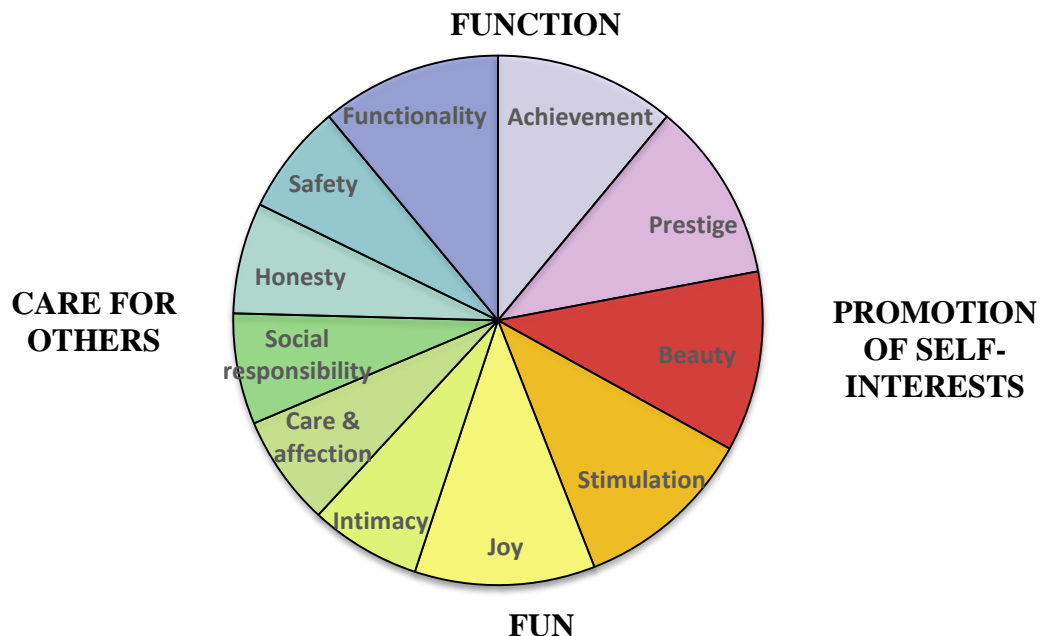
	<i>strongly disagree</i>		...		<i>strongly agree</i>	
I like Audi	1	2	3	4	5	NA
I am passionate about Audi	1	2	3	4	5	NA
I love Audi	1	2	3	4	5	NA
I identify with people who drive an Audi	1	2	3	4	5	NA
I feel a connection with other Audi drivers	1	2	3	4	5	NA
I often feel a personal connection between Audi and myself	1	2	3	4	5	NA
I have a special bond with Audi	1	2	3	4	5	NA
I will buy Audi the next time I buy a car	1	2	3	4	5	NA
I intend to keep buying Audi	1	2	3	4	5	NA
I talk in a positive way about Audi to my friends	1	2	3	4	5	NA

## Appendix V. Samenvatting

### Het Value Compass: Een onderzoek naar consumentenwaarden en merkwaarden

In de psychologie is sinds 1990 veel vooruitgang geboekt in de ontwikkeling van waardentheorie. Waarden kunnen volgens deze psychologische inzichten beschreven worden als een samenhangende structuur van motieven die elkaar versterken of juist een tegengestelde invloed op iemands gedrag uitoefenen. Waarden hebben invloed op menselijk gedrag, dus ook op het gedrag van de mens als consument. In de marketingtheorie wordt echter modelmatig weinig aandacht besteed aan het beschrijven van waarden, en wordt veelal voortgebouwd op een waardenbegrip waarin de psychologische ontwikkelingen van de laatste 25 jaar slechts beperkt zijn meegenomen. Ondanks het wijdverbreide gebruik van merkwaarden in de managementpraktijk, is de aandacht in marketingtheorie vooral gericht gebleven op het begrip merkpersoonlijkheid.

Het empirische onderzoek dat is uitgevoerd in het kader van dit proefschrift laat zien dat waarden een belangrijke invloed uitoefenen op consumentengedrag. Consumentenwaarden blijken volgens dit onderzoek op vergelijkbare wijze gestructureerd als in de psychologische literatuur beschreven. In het kader van dit proefschrift is een model ontwikkeld dat de invloed van waarden op consumentengedrag beschrijft. In dit model, dat de naam Value Compass heeft gekregen, is ook het belang van merkwaarden meegenomen. Marketeers trachten immers door middel van marketinginspanningen merken te laden met bepaalde merkwaarden, om op die manier het keuzegedrag van consumenten in de doelgroep te beïnvloeden. Figuur 1 geeft een schematische weergave van het Value Compass.



**Figuur 1.** Het Value Compass.

Het uitgevoerde onderzoek laat zien dat consumenten de waarden waarmee een merk zich profileert op vergelijkbare wijze structureren en beoordelen als de ordening van hun eigen waardenpatroon, namelijk op basis van een samenhangende structuur die aansluit bij de structuren gevonden in psychologisch onderzoek. Dit geeft aanvullend inzicht in het gebruik van waarden om merken te positioneren of om keuzegedrag van consumenten te voorspellen.

In het kader van dit proefschrift is ook een cross-culturele studie opgenomen. In deze studie worden consumentenwaarden en merkwaarden in een aantal landen met elkaar vergeleken. Analyse van de resultaten laat zien dat er tussen landen verschillen te bestaan in de mate waarin bepaalde waarden van belang zijn voor consumentengedrag; de wijze waarop waarden met elkaar samenhangen blijkt echter in de onderzochte landen wel vergelijkbaar.





## **Biography**

Erik Kostelijk (1969) holds a Master of Science in Economics from the University of Groningen (graduation 1993), with a specialization in marketing and marketing research. He works as an assistant professor for the International Business School of the Amsterdam University of Applied Science. Next to that, he is active as senior lecturer marketing. For Markling, the marketing research group of the Hanze University of Applied Sciences in Groningen, he is active as project leader research. He has worked for research agencies such as HanzeConnect and Lexnova, on research projects with clients in profit, non-profit and the governmental sphere. His experience as a trainer includes workshops on topics such as customer relationship management, client-based work processes, marketing, and branding.