Inspiration in Marketing:
Foundations, Process, and Application

DISSERTATION
of the University of St.Gallen,
School of Management,
Economics, Law, Social Sciences
and International Affairs

to obtain the title of
Doctor of Philosophy in Management

submitted by

Tim Böttger

from

Germany

Approved on the application of

Prof. Dr. Thomas Rudolph

and

Prof. Dr. Heiner Evanschitzky

Dissertation no. 4395

Difo Druck GmbH, Bamberg, 2015
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The University of St.Gallen, School of Management, Economics, Law, Social Sciences and International Affairs hereby consents to the printing of the present dissertation, without hereby expressing any opinion on the views herein expressed.

St. Gallen, May 19, 2015

The President:

Prof. Dr. Thomas Bieger
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St.Gallen, July 2015

Tim Böttger
Abstract

Inspiration is a core function of marketing that is becoming increasingly important, due to slow growth and increasing competition in the retail industry. In this challenging market environment, inspiration promises to increase customer spending and support the differentiation from competitors. Despite its practical relevance for marketing managers, research on inspiration in marketing remains scarce. This cumulative dissertation aims at narrow this research gap by investigating the foundations, the process, and the application of inspiration in marketing. Three individual papers contribute to this thesis. Paper 1 conceptualizes inspiration in marketing based on recent developments in social psychology and proposes a parsimonious survey measure to assess differences in inspiration between customers. This ten-item customer inspiration scale is tested for reliability and validity within an empirical scale development process that is comprised of five different studies. Furthermore, this paper explores the nomological network of marketing constructs that are related to customer inspiration. Paper 2 complements the first paper with a focus on the processes which lead to inspiration. By integrating inspiration with goal systems theory, it provides a theoretical framework for the analysis of effects on inspiration. Three experimental studies test the ability of goal systems theory to predict the effects of novelty on inspiration under various conditions. The results reveal that inspiration can result from exposure to new goals and new means to achieve existing goals. Furthermore, these effects on inspiration depend on customers’ pre-existing goal systems and their mindsets. Finally, the results suggest that the effects of novelty on inspiration are largely mediated by changes in the goal-means associations. Paper 3 extends the previous papers by applying the concept of inspiration in the context of direct marketing communication. Individualized lifestyle marketing is introduced as a new form of one-to-one marketing that is more abstract than individualized product recommendations. Through an extensive field experiment in collaboration with a leading furniture retailer, we analyze the effects of individualized lifestyle marketing on the click rates and purchase behavior of customers. The results show that individualized lifestyle content can increase click rates and product purchases. Furthermore, we also find evidence that recommendations for products outside of customers’ usual preferences may encourage purchases more than recommendations for products which fit their usual furniture style. An umbrella article is provided which describes the relevance of the research and synthesizes the findings of this thesis in an actionable six-step process for marketing managers.
Zusammenfassung

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A Umbrella Article: Why and How to Inspire Customers

Author
Tim Böttger

Abstract
This umbrella article provides a general overview of the cumulative dissertation and draws an overall conclusion. First, it outlines the relevance of the study of inspiration in marketing in light of slow market growth and increasing competition in the retail industry. Second, it summarizes the overall research strategy and the contributions of each one of the three individual papers in this dissertation. Finally, it provides a synthesis of the research findings in the form of an actionable six-step process for marketing managers to plan inspiration initiatives.
1 Introduction

1.1 Trends and Challenges in Retailing

Retailers in North America and Western Europe face an increasingly challenging environment. Over the last five years, the market volumes have grown only moderately in comparison to those of other markets. The compound annual growth rates (CAGR) for North America and Western Europe were merely 1.0% and 2.8%, while those of Asia Pacific and Latin America were as high as 7.6% and 7.5%, respectively (see fig. A-1, Euromonitor 2015). Meanwhile, the prospects for the future do not seem much brighter either. For the next five years, the projected annual growth of retail markets in North America and Western Europe remains low at 1.9% and 1.3%, while growth in other markets is also expected to slow down, thus creating additional stress for the global retail industry (Euromonitor 2015).

![Figure A-1](image)

**Figure A-1**
Annual growth and market size of retailing per region (based on Euromonitor 2015)

<table>
<thead>
<tr>
<th>Region</th>
<th>Compound Annual Growth Rate (CAGR) in %</th>
<th>Market Size 2014 in US$ tn.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>4.1 (2009-14) 7.6 (2014-19)</td>
<td>4.5</td>
</tr>
<tr>
<td>Latin America</td>
<td>2.1</td>
<td>1.2</td>
</tr>
<tr>
<td>Australasia</td>
<td>1.0</td>
<td>.28</td>
</tr>
<tr>
<td>Middle East and Africa</td>
<td>2.3 (2009-14) 5.5 (2014-19)</td>
<td>.87</td>
</tr>
<tr>
<td>Eastern Europe</td>
<td>2.3</td>
<td>.91</td>
</tr>
<tr>
<td>North America</td>
<td>1.9</td>
<td>3.2</td>
</tr>
<tr>
<td>Western Europe</td>
<td>1.0 (2009-14) 1.3 (2014-19)</td>
<td>3.4</td>
</tr>
</tbody>
</table>

* Prediction

One of the reasons for the expected slow market growth might be the overall aging of the population in many countries as more people from the generation of baby boomers, those born between 1946 and 1964, are approaching retirement age. While the number of individuals aged 65 or more accounted for 18.2% of the population in...
2013 in the European Union, this share is projected to rise to 28.7% by 2080 (Eurostat 2014). New expenditures for many goods from cars and airfare to books and maps decrease in later life stages (Du and Kamakura 2006). Therefore, this demographic change might impact retail sales volumes and be partly responsible for the difficult prospects for retailers.

Slow market growth may hit the retail industry hard, due to high fixed costs and exit barriers. Many retailers made large investments into logistics and information technologies in the past and have to maintain a costly store network and personnel, creating fixed costs which cannot easily be scaled down. According to Porter’s (1979) five forces framework, these factors combined with slow market growth may lead to intensifying rivalry between retailers which can create fierce price competition and undermine industry profitability. Moreover, traditional retailers may also face increasing competition in their home markets from new entrants. First, online retailers are expected to further expand their market shares, albeit from a small base. In North America and Western Europe, internet retailing accounted only for 7.8% and 8.3% of total retailing in 2014, but by 2019 its share is predicted to already rise to 11.3% and 10.1%, respectively (Euromonitor 2015). Second, economic factors may also contribute to increased competition. At the time of writing this article, crude oil prices have just hit a six-year low that is also affecting consumer prices for petroleum (Friedman 2015). Due to these low fuel prices, consumers might be more willing to travel longer distances for their shopping trips in order to benefit from lower prices or higher quality, thus lowering switching costs and increasing competition. In Switzerland, for example, cross-border shopping is currently on the rise, driven by a strong Swiss Franc as well as low fuel prices (Iseli 2015). The expectation of economic savings spurs consumers to travel longer distances even though it may conflict with their loyalty towards their preferred retailers (Nagengast et al. 2014). In conclusion, these factors may lead to increasing competition and challenge existing retailers.

1.2 Opportunities of Customer Inspiration

A stronger focus on inspiration may help retailers to overcome these challenges by increasing sales and strengthening their differentiation from competitors (Rudolph, Nagengast, and Weber 2014). Inspiration includes the realization of a new idea or insight and motivates people to act (Thrash and Elliot 2003, 2004). In a marketing context, new ideas are usually provided through marketing stimuli and may lead to a motivation to buy a product or service (see paper 1). Many consumers are open to new
ideas during their shopping trips, as only about half of them have a concrete product in mind and only 19% have set themselves a price limit when entering the store (Rudolph and Weber 2012). For some customers, the search for new ideas even is the main motive to shop (Arnold and Reynolds 2003). By catering to these needs and inspiring shoppers with new product ideas, retailers can increase customer spending and sales (Rudolph, Böttger, and Amgwerd 2013).

New technologies may further promote an intensified focus on customer inspiration by creating new opportunities for inspiration initiatives. For example, 85% of Swiss consumers indicate that they use a smartphone and 29% already access the internet at least once per hour (Rudolph et al. 2015). In future years, mobile internet is expected to become even more ubiquitous as smartphones and mobile data plans become more affordable and new wearable devices such as Google’s glasses as well as smartwatches from Samsung, Pebble, and Apple compete for users. As a result, marketing practitioners observe that the traditional purchase-funnel metaphor may be outdated, because shoppers do not steadily reduce their consideration sets during their shopping process anymore, but instead consider a dynamically shifting array of possibilities throughout their decision journey (Edelman 2010). Shoppers can now check relevant product information, ask for advice, and compare competing offers whenever and wherever they want, even when they are already in a store. This increase in customer touchpoints creates new opportunities for marketers to inspire customers with new ideas through on-demand marketing (Dahlström and Edelman 2013). Thus, inspiring retailers might be able to increase overall sales with their own customers and acquire new customers from competitors by employing new technologies.

Finally, a focus on inspiration may help managers to communicate their positioning and differentiate themselves from competitors. In a challenging market environment, a clear positioning and differentiation from competitors are essential to maintain profitability and survive a possible industry shakeout (Porter 1979). Rudolph, Nagengast, and Weber (2014) propose customer inspiration as an essential step in the process of differentiating a company from its competitors. Accordingly, an inspiring communication can help managers to ensure that customers recognize the unique positioning of a company. In conclusion, inspiring retailers might therefore have an advantage over their less inspiring competitors and increase their sales even within a slowly growing overall industry.
1.3 Research Gap

Despite its practical relevance and potential, many marketing practitioners seem to lack a clear theoretical framework for inspiration. Although many retailers recognize the importance of inspiration, shopping trips across various retail industries from groceries to furniture retailing are still perceived as rather uninspiring (Rudolph and Weber 2012). Many marketing practitioners rely on trial-and-error strategies to optimize customer inspiration. For example, some practitioners suggest to capture a 360-degree view of customers and building cumulating knowledge from the results of initial marketing efforts over time (van Bommel, Edelman, and Ungerman 2014). While this data-mining approach is clearly a step forward, it might not be able to adapt quickly enough to changes in consumer behavior and many lessons learnt may become obsolete in a new environment. Therefore, marketing practitioners would benefit from a theoretically derived framework capturing the foundations, process, and application of inspiration in marketing.

In social psychology, inspiration has recently been defined as a dualistic concept which includes a cognitive and a motivational component (Hart 1998; Thrash and Elliot 2003, 2004). Accordingly, inspiration involves the realization of a new insight or idea and creates a motivation to act on this inspiration. For example, one may feel inspired by witnessing an outstanding performance by the basketball player Michael Jordan (Thrash et al. 2010, study 1), which leads to the idea to engage in a team sport and create a motivation to join a local amateur league. Other sources for inspiration may include art, music, poetry, and nature (Thrash and Elliot 2003) as well as exemplars and role-models (Lockwood, Jordan, and Kunda 2002; Lockwood and Kunda 1997, 1999). Furthermore, feeling inspired increases perceived competence, self-esteem, optimism, self-determination, absorption in one’s task, positive affect, and general well-being (Thrash et al. 2010; Thrash and Elliot 2003, 2004), whereas the absence of inspiration has been linked to boredom, emptiness and even depression (Hart 1998).

However, in a marketing context, inspiration received only little attention. Although some concepts, such as transcendent customer experiences (Schouten, McAlexander, and Koenig 2007), the hedonic shopping motive of idea shopping (Arnold and Reynolds 2003), and general positive affect (Watson, Clark, and Tellegen 1988), share aspects with inspiration, they are conceptually and empirically distinct (see paper 1). Prior research has not yet explicitly investigated inspiration in marketing. Consequently, little is known about this construct as well as its relation to other...
constructs. In particular, existing research does not (1) explicitly conceptualize inspiration in a marketing context, (2) provide a reliable measurement scale for inspiration in marketing, (3) investigate the relation of inspiration to existing marketing constructs, (4) offer a theoretical framework for the psychological mechanism of inspiration, and (5) explore how new digital media may be used to inspire customers. This cumulative dissertation aims to narrow these gaps in existing research by investigating the foundations, the process, and the application of inspiration in marketing. The following chapter outlines the overall research strategy as well as the contributions of each of the three papers.

2 Research Strategy

The aim of this dissertation is to further the understanding of inspiration in marketing by answering the general research question: What characterizes inspiration in a marketing context? Due to the general nature of this research question and the novelty of the concept, a cumulative approach was chosen. This approach allows to shine a spotlight on three different key aspects of inspiration: its foundation, its process, and its application. Consequently, three research papers are part of this dissertation. Each paper relates to inspiration in marketing, but has its unique focus and contribution to the overall research question. Furthermore, all papers address distinct audiences. An overview of the three papers, including their titles, names of the authors, and information regarding their publication, is provided in table A-1.

Paper 1 investigates the foundation of inspiration in marketing. It conceptualizes inspiration in a marketing context, provides a valid and reliable scale for assessing inspiration, and explores its relation to existing marketing constructs. Thus, it aims to answer the more specific research question: How can inspiration be conceptualized and measured in a marketing context? Conceptually, this paper is based on prior conceptualizations of inspiration in social psychology (Hart 1998; Thrash and Elliot 2003, 2004). Over the course of five consecutive studies, this paper develops and validates a parsimonious ten-item scale for customer inspiration. Furthermore, it employs structural equation modelling to test the nomological network of related marketing constructs. The target audience for this paper includes marketing scholars from a wide array of subfields as well as marketing practitioners. At the time of writing, this paper is under revision at Journal of Marketing (2nd review round).
Table A-1
Overview of papers within the cumulative dissertation

<table>
<thead>
<tr>
<th></th>
<th>Paper 1</th>
<th>Paper 2</th>
<th>Paper 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Title</strong></td>
<td>Customer Inspiration: Conceptualization, Scale Development, and Validation</td>
<td>A Goal-Systemic Perspective on Inspiration in Marketing</td>
<td>Individualized Lifestyle Marketing: A Field Experiment</td>
</tr>
<tr>
<td><strong>Authors</strong></td>
<td>Tim Böttger, Thilo Pfrang, Heiner Evanschitzky</td>
<td>Tim Böttger</td>
<td>Tim Böttger, Oliver Emrich, Leonard Lee, Thomas Rudolph</td>
</tr>
<tr>
<td><strong>Research question</strong></td>
<td>How can inspiration be conceptualized and measured in a marketing context?</td>
<td>How can goal-system theory explain the psychological process that drives inspiration?</td>
<td>How can individualized lifestyle messages inspire customers?</td>
</tr>
<tr>
<td><strong>Publication status</strong></td>
<td>Under revision at <em>Journal of Marketing</em> (2nd review round)</td>
<td>To be submitted (Working paper)</td>
<td>To be submitted (Working paper)</td>
</tr>
<tr>
<td><strong>Conference presentations</strong></td>
<td>Presented at the AMA 2015 Winter Marketing Educators’ Conference in San Antonio, USA</td>
<td>Accepted at the 2015 North American Conference of the Association for Consumer Research (ACR) in New Orleans, USA</td>
<td>Presented at the 2014 North American Conference of the Association for Consumer Research (ACR) in Baltimore, USA</td>
</tr>
</tbody>
</table>

*Paper 2* complements the first paper by exploring the underlying psychological process that drives inspiration. It focusses on novelty as a key to inspiration and integrates it with the recently developed theory of goal systems (Kruglanski et al. 2002). Because inspiration and goal systems theory share a focus on cognitive and motivational aspects of human behavior, a goal-systemic perspective might yield substantial insights into the mechanism that drives inspiration. However, prior research has not yet combined goal systems theory and inspiration. Therefore, this paper aims to answers the research question: How can goal-system theory explain the psychological process that drives inspiration? Across three studies, the ability of goal systems theory to predict effects on inspiration is tested. The target audience for this paper includes primarily scholars from the field of consumer psychology.

Finally, *paper 3* extends the contribution of the first two papers by applying the developed understanding of inspiration in the context of personalized lifestyle messages. It aims to answer the question, how individualized lifestyle messages can inspire customers. Through an extensive field experiment in collaboration with an international furniture retailer, we explore the effects of individualized lifestyle content on customers’ click rates and purchase behavior. This paper employs a wide variety of research methods, including machine learning and general linear models, and is
targeted primarily for more technically oriented marketing scholars as well as practitioners.

The following sections will provide short abstracts for all of the three papers in this cumulative dissertation by further elaborating on their purposes, method, and results.

2.1 Summary of Paper 1: Customer Inspiration: Conceptualization, Scale Development, and Validation

Purpose. Although giving new ideas to consumers is a core function of marketing, surprisingly little is known about customers’ state of inspiration within a marketing context. The purpose of this paper is to (1) conceptualize customer inspiration, (2) develop a valid and reliable measure for the level of customer inspiration, and (3) examine its nomological network of related marketing constructs. Thus, this paper introduces the novel construct customer inspiration to the marketing literature.

Method. First, we conceptualize customer inspiration using recent insights from social psychology. Based thereupon, we develop and validate a measurement scale over the course of five empirical studies that involve qualitative and quantitative data from marketing academics, top managers, students, an online panel, and field data from shopper surveys. Our empirical scale development process includes (1) item generation, (2) expert judgment, (3) card sorting tasks, (4) scale refinement and initial validation, and (5) nomological validation. Across these studies, we use various statistical methods to analyze our results including cluster analysis, correlations, explorative and confirmatory factor analysis, and structural equation modelling.

Results. We conceptualize customer inspiration as a state, which is evoked by marketing stimuli, incorporates the realization of new or enhanced consumption-related insights, and motivates customers to purchase a product or service. A two-dimensional ten-item scale to measure customer inspiration is developed and validated. We measured high convergent and discriminant validity of the scale across two samples with dissimilar participant characteristics. Furthermore, the scale discriminated among groups of known levels of inspiration, and evidence of nomological validity within the proposed framework further support the scale’s content validity. The investigation of the nomological network of inspiration suggests that inspiration is a consequence of transcendent customer experiences and, indirectly, of the hedonic motive of idea shopping. Furthermore, inspiration increases positive
affect, customer satisfaction, impulsive buying, intention to recommend, and customer spending.

2.2 Summary of Paper 2: A Goal-Systemic Perspective on Inspiration in Marketing

Purpose. Various internal and external sources of inspiration have been proposed, yet the psychological process that leads to inspiration is still debated. This paper aims to advance the understanding of inspiration in marketing by providing a framework for the psychological processes that drive inspiration. This framework is built on the theory of goal systems and integrates inspiration by focusing on the role of novelty.

Method. Three experimental studies test the ability of a goal-systemic perspective to predict effects on inspiration. Study 1 tests how exposing participants to new goals or means influences their level of inspiration. Furthermore, it tests how these effects on inspiration interact with pre-existing goal systems. Study 2 replicates the effect of exposing participants to new means on inspiration, while actively manipulating participants’ goal systems, and also tests for mediation through the strength of newly formed goal-means associations. Study 3 tests the effects of abstract or concrete mindsets on inspiration with new goals or new means. ANOVA, ANCOVA, and mediation analysis are used to analyze the results.

Results. Study 1 finds that inspiration can result from exposing participants to new means as well as new goals. Furthermore, the effects of new means and new goals differ based on participants’ levels of expertise. Specifically, the number of new means increased inspiration for experts but not for non-experts, while the number of new goals increased inspiration for non-experts but not for experts. Study 2 replicates the finding that the exposure to new means leads to inspiration. Furthermore, it also finds a negative effect of goal conflict on inspiration. Importantly, study 2 further suggests that these effects are largely mediated by the strength of goal-means associations. Finally, study 3 shows that abstract and concrete mindsets moderate the effects of new goals and new means. Specifically, a concrete mindset discourages inspiration through new means, while there is no effect on inspiration through new goals. Overall, these results provide evidence that the effects of realizing new goals and new means on inspiration depend on pre-existing goal systems and mindsets in a way that is consistent with goal systems theory. Therefore, goal systems theory can provide a useful framework for the analysis of inspiration in consumer research.
2.3 Summary of Paper 3: Individualized Lifestyle Marketing: A Field Experiment

Purpose. Digital media create opportunities to inspire customers in new ways. This paper conceptualizes and investigates a new form of marketing communication based on individualized lifestyle messages. In contrast to traditional individualized product recommendations, these messages are more abstract and focus on customers’ values and goals in life, instead of focusing on concrete products. The effects of individualized lifestyle marketing on customer click rates and purchase behavior is analyzed.

Method. In collaboration with a leading furniture retailer, three consecutive field studies explore the basis and effects of individualized lifestyle marketing. Study 1 tests whether participants’ values and lifestyle activities differ based on their preferences for one of nine pre-defined furniture styles. Study 2 investigates whether participants can be assigned to a lifestyle segment based on their prior product purchases. Finally, study 3 analyzes the effects of exposing participants to individualized lifestyle content based on their self-stated or inferred preferences. The effects of individualized lifestyle content are contrasted with the effects of more concrete product recommendations to unveil hypothesized effects of novelty and specificity. We use ANOVA and generalized linear models to analyze the results.

Results. The results from study 1 suggest that a link between products and lifestyle segments exists, such that participants’ preferences for one of the nine furniture styles correlate with their values in life and frequency of engaging in certain lifestyle activities. Furthermore, study 2 reveals that this link enables marketers to infer customers’ lifestyle segments by using machine learning algorithms. Finally, study 3 shows that tailoring lifestyle content to customers’ individual lifestyles can have potential benefits for the company. Specifically, we find that a fit to customers’ preferences increases click rates for both lifestyle content and product recommendations, but that the effects on purchase behavior differ between lifestyle content and product recommendations. In line with the hypothesized effects of novelty and specificity, we find evidence that individualization of lifestyle content can increase the purchase probability and the number of products bought, whereas individualization of concrete product recommendation may even have negative effects on purchase behavior.
3 Synthesis

The goal of this cumulative dissertation is to advance the theoretical understanding of the foundations, the process, and the application of inspiration in marketing. Three individual papers each contribute a unique perspective and insights into the topic. In order to be of practical relevance, these insights must also be actionable for marketing managers. Therefore, this chapter aims to provide an overall conclusion that synthesizes the findings of this thesis and provides a process to guide marketing practitioners in their efforts to inspire consumers.

The following process draws on the key findings of this dissertation. It is intended as a guideline and checklist for marketing managers who aim at increasing customer inspiration through new initiatives or optimization of existing initiatives. The process consists of six individual steps and is iterative, such that the results of one iteration can be used as input for the next iteration. It is, therefore, termed the customer inspiration circle and consists of (1) an assessment of the status quo, (2) definition of the target audience, (3) choice of content, (4) planning of inspiration initiatives, (5) evaluation of the role of digital media, and (6) measurement of the impact (see fig. A-2). Although marketing managers may adapt the order of these steps to fit their specific situation, the order in which it will be presented should be useful for most marketing managers. Next, each of the six steps will be discussed in turn.

![Figure A-2](image_url)

**Figure A-2**
Customer inspiration circle

1. Assess the status quo
2. Define the target audience
3. Choose the content
4. Plan inspiration initiatives
5. Evaluate the role of digital media
6. Measure the impact
3.1 Step 1: Assess the Status Quo

The first step in the process to inspire customers should consist of a critical assessment of the status quo. Despite the best efforts of marketing managers, a study by Rudolph and Weber (2012) and data from paper 1 suggest that the average shopping trip is still perceived as rather uninspiring in most retail industries. Marketing managers need to understand the current state of inspiration in their company in order to discover whether a need for improvement exists as well as to set specific, measurable, achievable and realistic targets. Therefore, the level of customer inspiration should be measured systematically and regularly across time and across different customer touch points.

Paper 1 presents a 10-item survey scale to assess customer inspiration. This scale is shown to exhibit high reliability and validity in multiple retail industries and with various types of consumers. Due to its parsimonious nature, it is easy to administer and can, for example, be included along existing customer satisfaction surveys. Marketing managers are encouraged to use this scale in order to assess customer inspiration.

There are multiple insightful ways to interpret the results from the customer inspiration scale. First, results across different customer touch points (e.g., different regions, stores, or channels) can be compared to create an internal benchmarking. Only relying on internal data, companies might thus be able to identify best practices as well as areas of improvement within their company. Second, the overall inspiration scores can be compared to those of competitors for an external benchmarking. The data reported in paper 1 can give managers an indication of the overall distribution of scores in their industry. Other studies, such as Rudolph and Weber (2012), may shed further light on the level of inspiration in different industries and keep track of changes in the overall inspiration level over time. Finally, inspiration scores can be compared across time in order to see improvements or setbacks as well as to measure the effect of certain inspiration efforts. They may even act as an early warning system for other performance measures, since we find evidence that inspiration leads to customer satisfaction and customer spending among others (see paper 1).

Moreover, marketing managers can also examine the two dimensions of the customer inspiration scale separately. The proposed scale consists of an inspired by and an inspired to component (see paper 1). Analyzing these sub-scores can indicate to marketing managers where the highest potential for improvement is within their inspiration process. If managers find that the inspired by component is below the benchmark, it indicates that customers may not realize a novel idea. For example, an
inspiration initiative might not be visible enough in this case and may not receive enough initial attention by customers. Therefore, marketing managers may want to strengthen the communication of the new idea or alter the content. On the other hand, if the inspired to component drives low inspiration scores, it indicates that customers are not motivated to act on the new idea. For example, it may not be clear to customers how they can pursue a new goal or there might be a goal conflict preventing them from buying. In this case, marketing managers may want to strengthen the call for action, lower any potential hurdles, and examine the effect of competing motivations.

3.2 Step 2: Define the Target Audience

The second step in the inspiration process for managers should be to define their target audience. Marketing managers need to understand the customers or the segment of customers which they are aiming to inspire, because it influences the choices of the subsequent steps. Throughout all of the papers in this study, we found different consumer traits and states which influence inspiration:

In paper 1, we found that the hedonic motive of idea shopping increases the likelihood of transcendent customer experiences that may lead to inspiration. Knowing the share of customers who possess this shopping motive can help managers to plan their inspiration efforts. For example, if the share of customers who come to the retailer to get new ideas is below the average for the competition, it may indicate that customers have already found inspiration elsewhere and are now only looking for a specific product. In contrast, customers might also choose a retailer specifically to get inspiration. While some marketing managers fear showrooming (i.e., customers using a retailer to get inspiration but buying the product elsewhere), recent analyses suggest that this problem may be overrated, because only a minority of customers engage in it (Sevitt and Samuel 2013). Retailers might be able to increase the number of customers with the motive of idea shopping by offering quickly changing assortments (e.g., Zara), a stimulating in-store experience (e.g., Abercrombie & Fitch), and actively promoting this shopping motive (e.g., Tchibo).

The results from paper 2 suggest that experts and non-experts react differently to new goals and new means to achieve these goals. Specifically, exposure to new means increased inspiration for experts, while exposure to new goals increased inspiration for non-experts. For example, non-experts may feel less inspired by innovative products or product features (e.g., functional food), because they do not value the goal (e.g., healthy lifestyle). In this case, retailers may first need to communicate why this goal is
desirable and how it may benefit them. In order to effectively increase the level of inspiration, retailers should, therefore, differentiate between segments of experts and non-experts.

3.3 Step 3: Choose the Content

Based on the assessment of the status quo and the definition of the target audience, marketing managers have to choose the right content for their inspiration efforts. In other words, they have to choose the type of new idea. Paper 2 analyzes two different types of content: new goals and new means to achieve existing goals.

In marketing practice, retailers may give customers new means to achieve existing goals by introducing innovative products or product features which are able to cater to existing needs better than previous products. For example, the use of a special coating for a camera lens may reduce the amount of light that is refracted and, thus, lead to better image quality - a goal that many photographers already pursue. On the other hand, retailers may also inspire customers with new goals through value-added communication. For example, digital mirrorless cameras tend to be lighter and more compact than digital single-lens reflex cameras. Retailers can inspire customers by communicating why this feature is important (e.g., because of increased portability, less physical strain, or more candid photos).

As discussed in step 2, the choice of content should be influenced by the target audience. While experts tend to be open to inspiration through new means (e.g., innovative product features), non-experts may first need to understand the value of the associated goal (e.g., through value-added communication).

3.4 Step 4: Plan Inspiration Initiatives

The operationalization of inspiration initiatives should determine the source and timing of inspiration, while considering the previous steps. First, marketing managers need to choose from different sources to inspire customers. Rudolph, Nagengast, and Weber (2014) name online/mobile-marketing, store layout, in-store marketing, sales staff, new technologies, advertisements, and price promotions as potential sources for customer inspiration. Based on the desired target audience, each source might have certain advantages or disadvantages. For example, experts are often part of a brand community and may best be reached through brand community events. Schouten, McAlexander, and Koenig (2007) report insights on transcendent customer experiences from a brand event for Jeep four-wheel drive vehicles. Such brand events
seem especially suited to inspire customers with innovative products or product features. Another source of inspiration is the use of in-store product displays. Prior research suggests that inspiring grocery shoppers with a themed display of food items can increase willingness to buy, customer satisfaction, customer delight, and loyalty intentions (Rudolph, Böttger, and Pfrang 2012). Such product displays can be positioned either in a highly frequented area of the store to address most customers, or in a specific section of the store to address only customers who might already have a certain interest to buy a product. Of course, managers also need to evaluate the feasibility and costs of each potential source of inspiration (Rudolph, Nagengast, and Weber 2014).

Moreover, marketing managers should also consider the timing of their inspiration initiatives. Shopping goal theory states that shoppers move from an abstract mindset to a more concrete mindset within their decision journey (Lee and Ariely 2006). The results from paper 2 suggest that these mindsets can influence the effectiveness of inspiration initiatives. Specifically, exposure to new means was found to be less inspiring in a concrete mindset than in an abstract mindset, in line with goal systems theory (Bayuk, Janiszewski, and Leboeuf 2010). In other words, customers may be less open to new means, such as innovative products or product features, when they already have a specific idea about a purchase. Marketing managers should therefore position inspiration for innovative products and product features towards the beginning of the customer journey. In contrast, inspiration through new goals does not seem to be affected by concrete or abstract mindsets (see paper 2). This finding implies that customers may remain open to inspiration through value-added communication throughout their decision journey. Therefore, marketing managers have greater flexibility when deciding on the timing of inspiration through new goals than through new means.

3.5 Step 5: Evaluate the Role of Digital Media

Although step 5 could be subsumed under step 4, the increasing importance of new technologies merits special emphasis. As outlined in the introduction, new digital media are changing customer behavior and create new customer touch points (Edelman 2010). When planning inspiration initiatives, marketing managers, therefore, need to take the effects of these new media into account.

One of the main advantages of new media is the ability to individualize marketing communication to each customer. Paper 3 investigates the effects of individualized
lifestyle messages and product recommendations on customers’ click-through and purchase behavior in the context of furniture retailing. The results suggest that individualization can increase initial interest in the retailer as measured by click-rates. More interestingly though, the effect of individualization on actual purchase behavior differs between lifestyle messages and product recommendations. While lifestyle messages tend to increase the purchase probability and the number of products bought when they fit to the individual’s lifestyle, the opposite is true for product recommendations. That is, our results suggest that customers might purchase more products after exposure to products outside their usual preferences than after exposure to products that fit their usual preferences. Paper 3 argues that this might be an effect of novelty, because customers feel inspired by products that extend their mental horizons.

Throughout the last years, there was a continuous trend towards a higher integration of the digital world with day-to-day life, which is likely to continue in the near future (Rudolph et al. 2015). Therefore, topics that have mainly been discussed in the online world, such as individualization or one-to-one marketing, might also gain importance for traditional brick-and-mortar retailers. Marketing managers should, thus, be aware of these new opportunities to inspire their customers.

3.6 Step 6: Measure the Impact

In the final step, marketing managers should measure the impact of their inspiration initiatives. As for the first step, the ten-item scale developed in paper 1 can be used to reliably track changes in customer inspiration. In addition, marketing managers should also track changes in related marketing constructs and pay attention to any undesirable side-effects. For example, paper 1 found that inspiration generally increases customer satisfaction, loyalty intentions, and customer spending. However, inspiration can also lead to impulsive buying, which can decrease customers’ positive affect. Marketing managers should be aware of these indirect effects of customer inspiration in order to optimize their initiatives. For example, the negative effect on positive affect through impulsive buying might be attenuated by granting a lenient return policy.

Once marketing managers have measured the effect of their initiatives, they can choose to adapt their existing initiatives or plan new initiatives. Thus, the circular nature of this inspiration process becomes clear. With every cycle, the company gains valuable information about the level of inspiration of their customers and can optimize their efforts. Importantly, the foundation of this inspiration process in marketing theory
gives practitioners a framework to systematically analyze future initiatives and plan for changing environments. Thus, even in a challenging market environment with unstable customer behavior, marketing managers might be able to adapt existing knowledge about inspiration in their industry to new circumstances.

4 Conclusion

As outlined in the introduction, slow growth is threatening the retail industry, especially in Western Europe and North America. Inspiration may be able to lessen the danger of an industry shakeout for individual companies by stimulating customer spending and strengthening their differentiation to competitors. Despite this high relevance, research on inspiration in marketing remains scarce. Therefore, marketing managers often rely on heuristics, trial-and-error, and data mining strategies to optimize their efforts to inspire customers. These strategies can be prone to costly errors, because they lack a theoretical foundation and may be unable to accurately predict outcomes of inspiration efforts in a rapidly changing environment.

Three individual research papers investigate the foundations, the process, and the application of inspiration in marketing. Collectively, the findings of these three papers suggest that inspiration can increase customer satisfaction, loyalty intentions, positive affect, impulsive buying, and spending. They also show boundaries of inspiration and provide a theoretical framework. Finally, this umbrella article integrates the key findings of these three papers and provides an actionable guide for marketing managers. With this cumulative dissertation, I therefore hope to contribute to the theoretical understanding of inspiration in marketing as well as to provide actionable insights for practitioners.
References


B Paper 1: Customer Inspiration: Conceptualization, Scale Development, and Validation

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Abstract
Introducing new ideas to the customer lies at the heart of marketing, yet surprisingly little is known about customers’ state of inspiration within a marketing context. Based on prior conceptualizations in social psychology, we develop a two-dimensional multi-item customer inspiration scale that can be used to measure customer state of mind when receiving a new or enhanced consumption-related insight, motivating the customer to purchase a product. More specifically, we undertook five consecutive studies involving (1) item generation, (2) expert judgment, (3) card sorting tasks, (4) scale refinement and initial validation, and (5) nomological validation, using qualitative and quantitative data from marketing academics, top managers, students, an online panel, and field data from shopper surveys. On that basis, we demonstrate the psychometric properties of the scale and its unique position within the nomological network of related consumption variables. We discuss the utility of the proposed scale as well as implications for further applications and future research.

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1 Introduction

In light of growing marketing professionalism and an abundance of sellers in online and offline channels, retailers and manufacturers have recognized that conventional approaches such as providing a broad assortment and low prices are no longer sufficient to fulfill customer demands (Arnold et al. 2005; Barnes, Beauchamp, and Webster 2010). Instead, hedonic shopping motives gain importance over purely utilitarian value (Arnold and Reynolds 2003; Babin, Darden, and Griffin 1994; Childers et al. 2001; Grewal, Levy, and Kumar 2009). Shoppers do not simply seek products but also search for new ideas and inspiration (Arnold and Reynolds 2003). As a result, many market-leading companies such as IKEA, Apple, Nike, Nestlé, and BMW began to use the term “inspiration” prominently in their marketing communication, and managers are increasingly emphasizing the importance of customer inspiration for pleasurable in-store experiences (Bäckström and Johansson 2006).

However, many marketing managers have not yet fully embraced the importance of hedonic customer value and especially inspiration. Approximately 80 percent of service organizations rely on customer satisfaction as the primary metric for gauging the customer’s experience (Dixon, Freeman, and Toman 2010), even though it explains only a rather small variation in behavioral outcomes (Kumar, Pozza, and Ganesh 2013). In order to predict customer behavior more reliably, research should determine additional variables that complement this focus on satisfaction. As we will show, customers can be “satisfied” with a shopping experience, yet find it somewhat uninspiring. Hence, customer inspiration might be a useful complement to traditional marketing metrics and to better explaining customer behavior.

Our conceptualization of, and scale-development for, the proposed new construct of customer inspiration aims at closing three substantial research gaps. First, despite a growing relevance for managers, current marketing research lacks a formal conceptualization of inspiration in the context of consumer and marketing research. Second, current single-item measures of inspiration in marketing research do not distinguish between motivational and cognitive dimensions, while more elaborate measures in social psychology lack specificity for the marketing context. Finally, scholars have scarcely considered the unique role of inspiration in marketing, and limited research exists on the relationship of inspiration to other established marketing constructs.
In order to address these research gaps, we first review extant research related to inspiration. Second, we provide a marketing-specific conceptualization of customer inspiration and derive hypotheses about its role in consumer behavior. Third, we propose a two-dimensional scale to assess differences of customer inspiration among customers. Through a five-step empirical scale development process, we develop a measurement instrument for customer inspiration and address the dimensionality, reliability, and validity of the construct. Fourth, we test for nomological validity by analyzing the relationship of customer inspiration to its network of related marketing constructs. Finally, we discuss the implications of this research for marketing research and managerial practice.

2 Theoretical Background

2.1 The State of Inspiration

Though the Greek philosopher Plato attributed the poet’s state of inspiration to divine intervention, recent conceptualizations of inspiration emphasize its occurrence in ordinary people and situations. Hart (1998) reports narratives that reveal inspiration in a wide spectrum of mundane activities such as jobs, housekeeping, charitable work, sports, and relaxation. Furthermore, inspiration is mentioned in a range other disciplines, including theology (Schwöbel 1987), anthropology (Leavitt 1997), pedagogy (Tjas 1996), art and design (Halskov 2010), strategic management (Dess and Picken 2000; Flynn and Staw 2004), leadership (Lockwood, Jordan, and Kunda 2002; Lockwood and Kunda 1997, 1999), and technical disciplines such as bionics (Quinn and Gaughran 2010).

In the context of social psychology, inspiration appears frequently as a scale item for other, more general constructs. Most importantly, feeling inspired is used as an item in both Watson, Clark, and Tellegen’s (1988) Positive and Negative Affect Scale (PANAS), and the PANAS short form developed by Mackinnon et al. (1999). In order to further structure these broad affective states, scholars labelled inspiration as either an indication of excitement (Zevon and Tellegen 1982) or of surprise (Mano and Oliver 1993), while others omitted it altogether (e.g., Richins 1997). Furthermore, inspiration was also used to measure elevating experiences (Huta and Ryan 2010), admiration (Algoe and Haidt 2009), hedonic benefits (Naylor et al. 2008), epistemic goals (Hibbert and Tagg 2001), event and brand image (Drengner, Gaus, and Jahn 2008), and creativity (Sellier and Dahl 2011). Conceptually, these studies view the
state of inspiration as reflective of other latent constructs, but do not address the specific state of inspiration itself.

Inspiration seems to include a cognitive as well as an affective component (Hart 1998, 2000). Specifically, inspiration involves the reception and processing of a novel idea or insight. In line with this dual view, Thrash and Elliot (2003) conceptualize inspiration as a mental construct characterized by (1) evocation (i.e., illuminated by a trigger), (2) transcendence (i.e., enhancement, positivity, clarity, awareness of new possibilities that transcend the ordinary), and (3) motivation (i.e., activation to express or imitate a new idea; motivation to do something).

The first characterizing element of inspiration as a mental construct, evocation, has a passive nature. Although people can actively search for inspiration (e.g., by visiting historic sites, attending lectures, or reading), and the desire for inspiration can be a fundamental reason for shopping (Arnold and Reynolds 2003), the actual emergence of an inspiration occurs passively. Inspiration, accordingly, must be evoked by an object (e.g., the beauty of a landscape, a creative insight, or a role model) or by an epistemic event. That is, the actual state of inspiration arises spontaneously and in a way that is unplanned. The second characterizing element of inspiration, transcendence, proposes that the state of inspiration goes beyond everyday concepts of imagining and thinking—transcends ordinary preoccupations. Transcendence also positions a person to see new and better possibilities, and to achieve greater insight (Thrash and Elliot 2003, 2004). Finally, motivation refers to the stimulating or activating quality of inspiration. This motivational component compels the individual to act on the new idea or vision (Thrash et al. 2010). For example, an inspired artist may feel motivated to create a new work of art. Jointly, these three characteristics—evocation, transcendence, motivation—define inspiration as a psychological construct.

Furthermore, these three characteristics can be attributed to two component processes (Thrash and Elliot 2004): Evocation and transcendence, as passive dimensions associated with a denial of responsibility, are characteristic of being inspired by, whereas motivation as a more active dimension can be associated with being inspired to. Hence, while the “by” component is related to triggering events or evocative stimuli that initiate the mental process of inspiration, the “to” component includes motivational components that relate to an activated positive affect or strength of motivation. Thrash and Elliot (2003) initially proposed a tripartite conceptualization of inspiration that included evocation, transcendence, and motivation, but their later works (Thrash et al. 2010; Thrash and Elliot 2004) adopt the two-dimensional conceptualization framed by inspired by and inspired to.
Despite the growing relevance for customer behavior, there is a surprising lack of academic study focused on inspiration in the context of marketing. As we will discuss in the nomological network, scholars have hinted at facets of inspiration in marketing contexts such as customer experience management (Brakus, Schmitt, and Zarantonello 2009; Lakshmanan and Krishnan 2011; Schouten, McAlexander, and Koenig 2007) and hedonic consumption (Arnold and Reynolds 2003; Naylor et al. 2008). However, these research streams consider only fragments of the inspiration construct, neglecting conceptual links between various dimensions of the construct. Furthermore, prior marketing literature has largely relied on single-item measures of inspiration as one aspect of more general multi-item scales (e.g., Brakus, Schmitt, and Zarantonello 2009; Mano and Oliver 1993; Naylor et al. 2008), which do not distinguish between the cognitive and motivational components of inspiration. Finally, measuring inspiration at a rather general level may obscure its relationship with more specific consumer behavior, because the specificity of personality measures should correspond to the specificity of the behavior of interest (Ajzen 1987; Ajzen and Fishbein 1977). The study of inspiration in marketing, therefore, would be enhanced by a comprehensive conceptualization, and by a reliable and multi-dimensional measure of customers’ level of inspiration.

In sum, recent developments in social psychology have highlighted the need for a more focused exploration of inspiration. Important advances have been made with regard to the conceptualization of inspiration as a psychological construct (Hart 1998; Thrash and Elliot 2003, 2004). However, these rather general concepts are not practicable/applicable for consumer psychology. Drawing on the conceptualizations in prior literature, we propose a more specific conceptualization of inspiration in the context of consumption situations.

### 2.2 Conceptual Definition of Customer Inspiration

We define customer inspiration as a cognitive and motivational state that is evoked by marketing stimuli, incorporates the realization of new or enhanced consumption-related insights, and motivates customers to purchase a product or service. This conceptualization is in line with the dualistic view of inspiration as incorporating cognitive and motivational characteristics (Hart 1998, 2000; Thrash and Elliot 2003, 2004). Furthermore, our definition is also in line with the tripartite conceptualization of
Specifically, while the evocation and realization of insights relates more closely to a cognitive understanding of inspiration as a mental processing of new information, our conceptualization also captures the motivation ensuing from this process. In line with prior research on inspiration in social psychology (Thrash and Elliot 2004), we refer to the cognitive component as inspired by and to the motivational component as inspired to.

In line with prior domain-specific scale-development studies in marketing (Baumgartner and Steenkamp 1996; Bearden, Netemeyer, and Teel 1989), our conceptualization of customer inspiration is specific to a marketing context, yet is in line with the general definition of inspiration as a psychological construct. Responding to calls for contextualization of inspiration (Thrash et al. 2014), we provide a definition that identifies marketing stimuli as source of inspiration, the customer as recipient, consumption-related insights as object, and a purchase motivation as outcome. However, we are aware that some types of customer inspiration might not satisfy these four context specifications. For example, other customers might inspire a customer to a purchase, in which case inspiration is not directly evoked by marketing stimuli. The motivation component, in particular, may not always result in an immediate purchase of a product, but may include other consumption-related motivations such as the motivation to gain additional information, to search for alternatives, or to recommend an item to someone else. Therefore, we regard these context specifications as compensatory rather than exclusive.

Our definition, notably, does not explicitly include an affective component. Indisputably, moments of inspiration often elicit strong positive emotions that have been described as joy, elation, excitement, enthusiasm, fulfillment, vitality, and a deep satisfaction (Hart 1998). Moreover, cognition, motivation, and affect are usually related (Hoffman 1986), and inspiration is often associated with positive affect (Watson, Clark, and Tellegen 1988). However, as Thrash et al. (2014) point out, inspiration is more complex than typical emotional constructs, and extant studies on inspiration suggest that affect is a consequence rather than a defining characteristic of inspiration (Thrash et al. 2010; Thrash and Elliot 2004). We thus conceptualize customer inspiration as a cognitive and motivational state of the customer rather than as a specific emotion.

Although our empirical scale development reveals that customer inspiration is a two-dimensional construct, we opted for this tripartite conceptualization because it allows for a clearer, more detailed definition. The tripartite conceptualization directly relates to the two-dimensional conceptualization by collapsing evocation and transcendence into one dimension.
Finally, our definition of customer inspiration sets the direction of inspiration to flow from the company to the customer. The company typically decides on the marketing stimuli and shares new ideas with customers. Alternatively, one could also investigate the opposite flow of insights from customers to the company—for example, through customer feedback or open innovation (Chesbrough 2003). However, this direction of inspiration falls outside of our definition, given that the company, not the customer, would be the subject of transcendence.

In sum, we conceptualize customer inspiration as a marketing-specific construct characterized by a cognitive and a motivational dimension. Customer inspiration is conceptually distinct from affective concepts and specific to the flow of ideas from the company to the customer.

2.3 The Role of Inspiration in Marketing and Customer Behavior

In order to be of theoretical and practical relevance, the proposed construct, customer inspiration, needs to fill a unique position in its nomological network of related constructs, and should possess distinct antecedents and consequences (Iacobucci, Ostrom, and Grayson 1995; Seiders et al. 2007; Tian, Bearden, and Hunter 2001). A review of related constructs suggests that inspiration may indeed play a unique role in marketing. We briefly discuss the various facets of inspiration used in marketing research and, thus, define the hypothesized nomological network for customer inspiration.

Inspiration may arise as part of the customer experience. Customers sometimes report feelings of inspiration due to an intense experience with a brand (Brakus, Schmitt, and Zarantonello 2009). Likewise, Lakshmanan, and Krishnan (2011) conclude that using a product for the first time can result in learning effects in the form of “Aha! experiences” that lead to cognitive and emotional activation — activation that may be similar to inspiration. Schouten, McAlexander, and Koenig (2007) conceptualize these transcendent customer experiences in brand communities as a combination of flow (Csikszentmihalyi 1991) and peak experience (Maslow 1964). While flow is a desired state characterized by a person’s complete immersion into the task at hand, peak experiences are intense, meaningful moments that can lead to states of flow and transcendence (Privette 1983). Notions of both transcendence and increased immersion have also been linked to inspiration (Thrash and Elliot 2003). Therefore, we hypothesize:

**H1:** Transcendent customer experiences are antecedents of customer inspiration.
The pursuit of inspiration may also represent a hedonic shopping motive. Accordingly, the search for new ideas and inspiration as a shopping motive has been a subject of scientific discussion for years (Dawson, Bloch, and Ridgway 1990; Van Kenhove, De Wulf, and Van Waterschoot 1999; Tauber 1972). Arnold and Reynolds (2003) and Cox, Cox, and Anderson (2005) extracted the search for new ideas and trends as a hedonic shopping motive called idea shopping/browsing, while Naylor, Kleiser, Baker, and Yorkston (2008) measure inspiration as an indicator of hedonic benefit. Furthermore, Breugelmans, and Campo (2011) note that customers with a hedonistic attitude are particularly susceptible to environmental influences in the store, have a greater tendency toward exploratory behavior, and often modify their short-term purchase plans. Regarding its generalizability, Childers, Carr, Peck, and Carson (2001) maintain that customers are looking for fun and pleasure, even during less exciting purchases such as grocery shopping. In sum, these empirical findings provide evidence that customers not only may be open for inspiration while shopping, but may actively seek inspiration. We propose that this motivation to search for novelty increases openness to customer inspiration. In the same way as openness to experience facilitates inspiration (Thrash and Elliot 2003), idea shopping is expected to promote customer inspiration.

**H2:** Idea shopping is an antecedent of customer inspiration

Positive affect represents one of the main dimensions of affective response and is described as a state of high energy, full concentration, and pleasurable excitement (Watson, Clark, and Tellegen 1988). Narratives on inspiration experiences mention positive affect, and it presents one of the strongest known correlates of inspiration (Hart 1998; Thrash et al. 2010). Several studies (Thrash 2007; Thrash et al. 2010; Thrash and Elliot 2003, 2004) provide evidence that inspiration is related to, and yet distinct from, positive affect. Inspiration correlates with and leads to positive affect (Thrash and Elliot 2003, 2004; Thrash et al. 2010). However, inspiration also has a factor structure that is distinct from positive affect (Thrash et al. 2010; Thrash and Elliot 2003, 2004), arises through unique antecedent processes (Thrash and Elliot 2004), and is spread across days of the week differently than is positive affect (Thrash 2007). Based on our findings that inspiration is a distinct cognitive-emotional construct and an antecedent of positive affect, we expect customer inspiration to also lead to positive affect.

**H3:** Positive affect is a consequence of customer inspiration.
In recent years, customer satisfaction has been extensively studied in marketing literature (Mela, Roos, and Deng 2013) and has been shown to influence customers’ attitudes and intentions (Oliver 1980). As well, evidence shows influence on marketing performance measures such as share-of-wallet, loyalty intentions, repeated purchases, complaint behavior, and word-of-mouth (Mägi 2003; Szymanski and Henard 2001). Inspiration in general has been linked to a deep satisfaction as part of overall well-being, while the absence of inspiration has been described as dull and even depressing (Hart 1998; Thrash et al. 2010). Based on these findings, it is plausible that customer inspiration might lead to customer satisfaction, which is more specific to the consumption context than is overall life satisfaction.

**H4:** Customer satisfaction is a consequence of customer inspiration.

One aforementioned characteristic of inspiration is evocation, which describes the lack of direct control and the attribution of inspiration to an external stimulus. In a marketing context, customers might attribute the responsibility for inspiration not only to the focal object (e.g., a product combination or in-store advertising), but also to the associated service provider (e.g., retailer or manufacturer). If customer inspiration elicits positive emotions and attitudes, it might also influence the perception of the service provider. To test for this spillover effect, we include intention to recommend (Arnold and Reynolds 2009) in our nomological network. In contrast to customer satisfaction, intention to recommend is more closely related to the service provider and therefore may capture a more influential change in preferences.

**H5:** Customers’ intention to recommend the service provider is a consequence of customer inspiration.

Inspiration involves the motivation to pursue a new insight or idea (Thrash and Elliot 2003). In a marketing context, we focus on the motivation to buy a specific item, although, as discussed in the conceptualization, other forms of motivation also seem plausible. Acting upon this motivation may result in *impulsive buying* of unplanned products or services (Beatty and Ferrell 1998). For example, customers’ impulsive buying tendencies correlate with their openness to sudden, unexpected buying ideas (Rook and Fisher 1995). Likewise, abstract shopping goals, which may be more open to inspiration, increase the number of unplanned purchases relative to concrete shopping goals (Bell, Corsten, and Knox 2011). Thus, we hypothesize that

**H6:** Customers’ impulsive buying is a consequence of customer inspiration.

Finally, we expect customer inspiration to predict customer spending. In line with the strong motivational component inherent in the feeling of inspiration, customer
inspiration involves the desire to buy a product or service. In the absence of physical or financial limitations, we expect this desire to express itself in actual purchases and hypothesize that;

**H7:** Customers’ spending is a consequence of customer inspiration.

While these established constructs relate to inspiration, they are conceptually distinct. In order to test the hypothesized relations, we first develop a valid and reliable instrument for measuring customer inspiration. Using this measure, we provide empirical evidence for the distinctiveness and relationships of the constructs presented in the above discussion of the nomological network of customer inspiration.

## 3 Scale Development and Validation Process

To develop a scale for customer inspiration, we followed an established paradigm for scale construction (Churchill 1979; Gerbing and Anderson 1988) and other scale-development studies (Arnold and Reynolds 2003; Bearden, Netemeyer, and Teel 1989; Brocato, Voorhees, and Baker 2012; Seiders et al. 2007; Tian, Bearden, and Hunter 2001; Walsh and Beatty 2007). As depicted in table B-1, our five-step process involves (1) generating potential scale items, (2) judgments by marketing experts, (3) card sorting tasks, (4) a scale refinement and initial validation study, and (5) a nomological validation study. We analyze qualitative and quantitative data from marketing academics, top managers, students, an online panel, and field data from shopper surveys. In the sections that follow, we provide details on each step in our process.

### 3.1 Study 1: Item Generation

Our initial item generation aimed to develop a broad set of items that would encompass all potential aspects and dimensions of customer inspiration (Churchill 1979). Therefore, we drew our initial item pool from prior literature as well as from qualitative interviews with customers.

Based on a tripartite conceptualization of inspiration, Thrash and Elliot (2003) propose a scale for inspiration consisting of four broad items: (1) I experience inspiration; (2) Something I encounter or experience inspires me; (3) I am inspired to do something; and (4) I feel inspired. These items capture the notion of evocation, motivation, and transcendence, respectively. We adapted these original four items for a more specific buying situation (see Appendix A, items i9, i25, i44, i54), and included them in our initial item pool.
In addition, we conducted qualitative interviews with customers to capture the lay definition of customer inspiration. The qualitative interviews included an elicitation procedure to ensure that author-generated construct definitions are consistent with consumers’ views (Brakus, Schmitt, and Zarantonello 2009; Walsh and Beatty 2007).

In exchange for course credit, 50 students from an undergraduate marketing class received training to approach and interview customers in front of stores, along popular shopping streets, and in shopping malls. Using a pre-specified procedure, interviewers first asked participants to elicit key words associated with their own understanding of inspiration. Next, each participant was asked to recall and briefly describe an inspiring situation in the given retailing context. The interviewer then proceeded with a general shopper survey that was not directly related to customer inspiration.

In total, 918 customers were interviewed in the retail contexts of groceries ($n = 101$), fashion ($n = 120$), sports ($n = 204$), consumer electronics ($n = 226$), and furniture ($n = 267$). Two research assistants eliminated answers that concerned only a specific source (commonly referred to as in-store cues or store atmospherics; e.g., lighting, assortment, product display) or a specific consequence of inspiration (e.g., repurchase intention). This process generated a list of 475 seeds that were either individual

### Table B-1
Scale development procedure

<table>
<thead>
<tr>
<th>Steps in the process</th>
<th>n</th>
<th>Sample description</th>
<th>Methods</th>
<th>Selection criteria</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Item Generation</td>
<td>918</td>
<td>Shopper field survey</td>
<td>Free elicitation</td>
<td>Face validity</td>
<td>93</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Literature review</td>
<td>Domain representativeness</td>
<td></td>
</tr>
<tr>
<td>2. Expert judgment</td>
<td>10</td>
<td>Top managers and marketing faculty</td>
<td>Individual item evaluation</td>
<td>Content validity</td>
<td>43</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Selection of top 5 items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Card sorting</td>
<td>64</td>
<td>Online panel</td>
<td>Open card sorting ($n = 33$)</td>
<td>Content validity</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Closed card sorting ($n = 31$)</td>
<td>Dimensionality</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Additional item generation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Refinement and initial validation</td>
<td>257</td>
<td>Undergraduate students</td>
<td>Item-to-total correlations</td>
<td>Reliability</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Exploratory factor analysis</td>
<td>Dimensionality</td>
<td></td>
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<td></td>
<td>Confirmatory factor analysis</td>
<td>Convergent validity</td>
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<td></td>
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<td></td>
<td>Known group comparison</td>
<td>Discriminant validity</td>
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<td></td>
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<td></td>
<td></td>
<td>Known group validity</td>
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<tr>
<td>5. Nomological validation</td>
<td>425</td>
<td>Shopper field survey</td>
<td>Confirmatory factor analysis</td>
<td>Reliability</td>
<td>10</td>
</tr>
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<td>Structural equation modeling</td>
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<td></td>
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<td>Discriminant validity</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>Nomological validity</td>
<td></td>
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</tbody>
</table>

Note: Item count indicates remaining items after elimination and addition at end of each step.
keywords (e.g., a sudden idea, intuition, or food for thought) or short statements (e.g., “A salesperson broadened my horizon by showing me a combination of items”; “I discovered a new product and changed the entire recipe”). Each of these seeds was transformed into a potential scale item, and similar items were consolidated. This procedure resulted in a list of 137 items, from which we selected 89 additional scale items based on their relative frequency, face validity, and domain representativeness. In sum, we generated a pool of 93 potential scale items that were based on prior literature and on the lay definition of customer inspiration (see Appendix A for detailed information on item elimination, and see column “Study 1” for the 93 items).

3.2 Study 2: Expert Judgment

In line with established scale development procedures (e.g., Bearden, Netemeyer, and Teel 1989) a panel of experts evaluated the 93 remaining statements for content and face validity. Because our aim is to provide a measure for customer inspiration that is useful to both marketing research and practice, our panel was composed of top management professionals as well as marketing academics. Specifically, the management panel consisted of two management directors and three marketing directors from different retail chains, a shopping center, and a food company, while five marketing professors served as academic experts.

We used a self-administered survey to gather expert judgments. Each expert first read a short conceptual definition of the construct and then evaluated each of the 93 potential scale items. The exact wording of the instructions is provided in Appendix B. Construct fit was measured on a 5-point scale ranging from “very good fit” to “very bad fit”. Furthermore, each expert selected five items with the best overall construct fit. Scores for each item were averaged for the group of managers and the group of academics to calculate a managerial score (M = 3.07, SD = .45) and an academic score (M = 3.34, SD = .75). Items were retained if both the academic score and the managerial score were favorable (above 3.0) or if selected as one of the five best fitting items by at least one of the experts. This procedure shortened the list to 43 items (see Appendix A, column “Study 2”).

The resulting item scores revealed considerable diversity in experts’ evaluations (intraclass correlation (ICC) (2,10) = .58). Interestingly, there was general agreement among academic experts (ICC(2,5) = .70), but substantial disagreement among managerial experts (ICC(2,5) = .19). This may indicate differences in the prevalent perspectives on customer inspiration in various consumer industries. In order to account for these differences, we opted for a comparatively conservative elimination criterion.
3.3 **Study 3: Card Sorting**

*Study 3a: Open and closed card sorting.* The remaining 43 items were subject to two online card sorting tasks in an effort to further increase content and face validity, and to explore the underlying structure of inspiration as experienced by consumers (Paulson, Truscott, and Stuart 1999).

In the *open card-sorting* task, 33 participants from an online research panel (52% male, median age 24) read a short explanation of the customer inspiration construct and then organized the items by similarity into as many categories as they deemed appropriate. In the *closed card-sorting* task, a separate sample of 31 participants from the same panel (61% female, median age 28) were additionally given a short explanation of the three Thrash and Elliot (2003) conceptual dimensions (evocation, transcendence, and motivation). Participants in the closed sorting task were then asked to sort the items into one of the three dimensions or mark them as unrelated to any dimension (Tian, Bearden, and Hunter 2001). The full instructions for the open and closed card sorting tasks are included in Appendix C.

In order to analyze the open card-sorting data, we performed hierarchical clustering using average linkage and Jaccard’s Coefficient of Community as a measure of distance (Capra 2005). First, the inspection of the resulting dendrogram for single-item clusters led to the elimination of one item. The remaining items were again subjected to the same analysis. Based on an inspection of the agglomeration schedule (Hair 2010), and to reflect the median number of clusters created by participants, we extracted a four-cluster solution. On the basis of the names created by the participants, the resulting four clusters were labeled *new ideas*, *other impulse*, *personal taste*, and *shopping impulse*. We profiled these clusters using data from the closed card-sorting task. ANOVA revealed a significant effect of items’ open card-sorting cluster membership on allocations toward the closed card-sorting clusters, transcendence \((F(3,38) = 9.17, p < .001)\), motivation \((F(3,38) = 5.44, p < .01)\), and the unrelated category \((F(3,38) = 12.46, p < .001)\), but not toward evocation \((F(3,38) = .75, p = .53)\). Follow-up contrasts revealed that the clusters *other impulse* and *personal taste* were significantly \((p < .05)\) more marked as unrelated, indicating inferior fit to the definition of customer inspiration (Bearden, Netemeyer, and Teel 1989; Tian, Bearden, and Hunter 2001). Therefore, we eliminated the 10 items of these former two clusters. Each of the 32 remaining items was allocated to one of the three conceptual
dimensions using non-hierarchical cluster analysis (Hair 2010). Thus, 12 items were assigned to evocation, 13 items to transcendence, and 7 items to motivation.

**Study 3b: Additional item generation.** Due to the comparatively low number of items, especially for the motivation dimension, we generated 18 additional items as part of this iterative scale development process (Churchill 1979; Zaichkowsky 1985). Two independent judges checked the additional items for content and face validity. Judges were provided with the same instructions as in study 2 (see Appendix B), except that they did not choose the five best-fitting items. Raters initially agreed in 50% of the cases. The conflicting views were resolved in a discussion among the raters. As a result, we included six additional items for motivation and four additional items for transcendence, and refined one additional item for motivation on the basis of the judges’ discussion. In sum, after this stage 42 potential scale items remained (see Appendix A, column “Study 3b”).

### 3.4 Study 4: Refinement and Initial Validation

Following Bearden, Netemeyer, and Teel (1989), separate item analyses were performed for the remaining 42 statements. Two hundred eighty-seven undergraduate students participated in this study in exchange for a chance to win university-branded clothing. Participants were randomly assigned to one of two conditions. In the neutral condition, participants were asked to remember their most recent shopping experience, whereas participants in the inspired condition were asked to remember their most recent *inspiring* shopping experience. Both groups were asked to briefly record their shopping experience, and were then administered the preliminary scale consisting of all 42 items in individually randomized order. An instructional check ensured that participants carefully read each item. Thirty participants failed this check, leaving a final sample of 257 participants (55% male, median age 22) for further analysis. In order to purify the scale items, we analyzed these data by performing (a) an examination of the correlations to their hypothesized sub-scales, (b) exploratory factor analyses, and (c) confirmatory factor analyses. Finally, the resulting scale and its sub-dimensions were subjected to a known group comparison (d) between the participants in the neutral and the inspiring conditions.

**Study 4a: Item-to-total correlations:** Items that did not have corrected item-to-total subscale correlations above .50 were removed. Moreover, items that did not have

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3 ANOVA confirmed that these three final clusters differ significantly along the dimensions of evocation, $F(2,29) = 44.89, p < .001$, transcendence, $F(2,29) = 35.56, p < .001$, and motivation $F(2,29) = 37.00, p < .001$. 
significantly ($p < .05$) higher correlations with the subscale to which they were hypothesized to belong than to remaining subscales’ total scores were also deleted (Bearden, Netemeyer, and Teel 1989). These analyses resulted in the deletion of 4 items for evocation, 2 items for transcendence, and 6 items for motivation, leaving a remaining item pool of 30 items for further analysis (see Appendix A, column “Study 4a”).

**Study 4b: Exploratory factor analysis.** The remaining 30 statements were subjected to principal axis factor analysis with promax oblique rotation using a minimum eigenvalue of 1 as the criterion for inclusion (Hair 2010). Initially, three factors were extracted though this procedure. An inspection of the rotated factor solution showed that the extracted factors did not converge with the conceptual three dimensions of inspiration proposed by Thrash and Elliot (2003). Instead, three statements were primarily responsible for one factor, which was hard to justify conceptually. These statements that seemed to lack a common core with the remaining items were thus classified as “garbage items” (Churchill 1979, p. 69) and excluded from further analysis. A second iteration of the analysis with the remaining 27 statements produced a two-factor solution. Inspection of the rotated factor solution revealed that the evocation and transcendent subscales had collapsed into one dimension, while the motivation subscale remained as a second distinct factor.

This finding suggests that a two-dimensional conceptualization of inspiration, in line with Hart (1998, 2000) and later works of Thrash, Elliot, and colleagues (Thrash et al. 2010; Thrash and Elliot 2004) may be more appropriate than the tripartite conceptualization originally proposed by Thrash and Elliot (2003). Henceforth, we adopted this dual view of inspiration for the measurement of customer inspiration. In line with the extant literature and our conceptualization of customer inspiration, we refer to the collapsed dimension that incorporates evocation and transcendence as *inspired by*, and to the motivational dimension as *inspired to*.

The items of both factors were examined for face validity, and as a result we eliminated two items for which the a priori categorization was at odds with their factor loadings. Furthermore, one item was deleted because it showed low communalities

4 Those statements were “I looked at things in a new way”, “I had an Aha! experience”, and “My conception of an ideal product changed.”

5 Specifically, the evocation item “Something raised my interest” showed higher factor loadings on the *inspired to* factor than on the *inspired by* factor, to which it was conceptualized to belong. Vice versa, the motivation item “The purchase motivated me to try something new” showed higher factor loadings on the *inspired by* factor than on the *inspired to* factor. Both items were eliminated. A third item “My interest to buy something was raised” was a priori categorized as an evocation
(<.40), and another item was eliminated because it showed high cross-loadings (> .40). Applying the same procedure as before, a final exploratory factor analysis was performed for the remaining 23 items. Two factors were extracted that accounted for more than 65% of total variance and exhibited a measure of sampling adequacy of .97. All communalities ranged from .46 to .75, with no evidence of any substantial cross-loadings (> .40). Thus, this procedure resulted in the retention of 23 items for further analysis, of which 17 were assigned to the inspired by component process of customer inspiration, and 6 were assigned to inspired to (see Appendix A, column “Study 4b”).

Study 4c: Confirmatory factor analysis. In order to be useful, it is desirable to have a parsimonious final scale that managers and researchers can easily administer along with other marketing scales. Following prior literature (Arnold and Reynolds 2003; Gerbing and Anderson 1988), we used iterative confirmatory factor analyses (n = 257) to assess the dimensionality, convergent validity, and reliability of the two-factor solution, as well as to consolidate similar items. First, a two-dimensional confirmatory model with the remaining 23 items was estimated using the statistical software Mplus 6.12 (Muthén and Muthén 1998). Initially, the estimated model fit indices ($\chi^2 = 550.27$, $df = 229$, $p < .001$; CFI = .94; TLI = .93; RMSEA = .074; SRMR = .049) slightly missed acceptable thresholds (Hu and Bentler 1999). An inspection of the modification indices revealed a total of 53 significant indices ranging from 3.86 to 56.15. Therefore, we inspected each of the items that were responsible for these modification indices and consolidated items that seemed to belong to the same facet of customer inspiration (Arnold and Reynolds 2003). For example, the items “I was shown new combinations” and “I discovered something new” both tapped into the facet of novelty, so that only the latter was retained. As a result, 13 items were eliminated and 10 items were retained (see Appendix A, column “Study 4c”).

The remaining 10 items were again subjected to a confirmatory factor analysis, which revealed good model fit indices ($\chi^2 = 51.01$, $df = 34$, $p = .03$; CFI = .99; TLI = .99; RMSEA = .044; SRMR = .029). Although 6 modification items remained significant, they were predominantly low, ranging from 4.57 to 11.08. We report detailed item and construct statistics in table B-2, column “Study 4”. For all items, standardized factor loadings ranged from .68 to .83, squared multiple correlations (SMCs) ranged from .52 to .74, and corrected item-total correlations with their respective constructs ranged from .68 to .83. Furthermore, coefficient alpha, average variance extracted (AVE), and composite reliability (CR) estimates for inspired by ($\alpha$ item, but loaded more strongly on the inspired to factor. Because of the “to” component included in this statement, we decided to retain it as part of the inspired to factor.
=.89; AVE = .62; CR = .89) and inspired to (α = .92; AVE = .70; CR = .92) were well above recommended thresholds (Fornell and Larcker 1981), providing evidence of convergent validity.

Table B-2
Confirmatory factor analysis results

<table>
<thead>
<tr>
<th>Items</th>
<th>Study 4</th>
<th>Study 5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ITTC</td>
<td>SFL</td>
</tr>
<tr>
<td>Inspired by</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My imagination was stimulated.</td>
<td>.79</td>
<td>.86</td>
</tr>
<tr>
<td>I was intrigued by a new idea.</td>
<td>.75</td>
<td>.81</td>
</tr>
<tr>
<td>I unexpectedly and spontaneously got new ideas.</td>
<td>.74</td>
<td>.80</td>
</tr>
<tr>
<td>My horizon was broadened.</td>
<td>.71</td>
<td>.75</td>
</tr>
<tr>
<td>I discovered something new.</td>
<td>.67</td>
<td>.72</td>
</tr>
<tr>
<td>Inspired to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I felt an urge to buy something.</td>
<td>.76</td>
<td>.79</td>
</tr>
<tr>
<td>I felt a desire to buy something.</td>
<td>.81</td>
<td>.84</td>
</tr>
<tr>
<td>My interest to buy something was raised.</td>
<td>.80</td>
<td>.84</td>
</tr>
<tr>
<td>I was inspired to buy something.</td>
<td>.80</td>
<td>.86</td>
</tr>
<tr>
<td>I was motivated to buy something.</td>
<td>.79</td>
<td>.83</td>
</tr>
</tbody>
</table>

Global goodness of fit

<table>
<thead>
<tr>
<th></th>
<th>Study 4</th>
<th>Study 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>( \chi^2 ) (34 df)</td>
<td>51.01</td>
<td>182.50</td>
</tr>
<tr>
<td>Comparative fit index</td>
<td>.99</td>
<td>.95</td>
</tr>
<tr>
<td>Tucker-Lewis index</td>
<td>.99</td>
<td>.93</td>
</tr>
<tr>
<td>Root mean square error of approximation</td>
<td>.04</td>
<td>.10</td>
</tr>
<tr>
<td>Standardized root mean square residual</td>
<td>.029</td>
<td>.045</td>
</tr>
</tbody>
</table>

Notes: ITTC Corrected item-to-total correlation; SFL Standardized factor loading; SCM Squared multiple correlations; α Cronbach’s alpha; CR Composite reliability; AVE Average variance extracted

To assess discriminant validity, we performed two additional tests. First, the average variance extracted for inspired by (AVE = .62) and inspired to (AVE = .70) both exceeded the squared correlation between the constructs of \( r^2 = .57 \), indicating discriminant validity (Fornell and Larcker 1981). Second, the two-factor model was contrasted with a one-factor model in which all items loaded on one latent variable (Burnkrant and Page 1982). A comparison of the chi square statistics indicated a significantly better fit of the baseline model than of the constrained model (\( \Delta \chi^2 = 221.84, \Delta df = 1; p < .001 \)), proving discriminant validity. Overall, the steps taken above suggest that the proposed measurement of customer inspiration meets the standards for scale reliability.

Study 4d: Known group comparison. In order to further assess the content validity of the scale, we performed a known group comparison (Churchill 1979; Tian, Bearden, and Hunter 2001). In our study, one group of participants was asked to describe their most recent shopping experience (neutral condition, \( n_{neutral} = 141 \)), while another group
was asked to describe their most recent *inspiring* shopping experience (inspiration condition, \( n_{\text{inspiration}} = 116 \)). Participants in the inspiration condition were expected to score significantly higher on both the sub-dimensions of customer inspiration and on the combined scale.

We averaged the items on both the customer inspiration scale and the sub-scales for each participant. Thus, each of the resulting scale scores could theoretically range from “1” to “7”. First, for the customer inspiration scale and sub-scales we compared the group means to their common midpoint at 4.00. While the group average for the neutral condition was significantly below 4.00 for customer inspiration (\( M = 2.96, t(140) = -9.74, p < .001 \)), as well as for the *inspired by* (\( M = 2.35, t(140) = -15.61, p < .001 \)) and inspired *to* (\( M = 3.58, t(140) = -3.12, p < .01 \)) subscales, the group average for the inspiration condition was significantly above 4.00 for customer inspiration (\( M = 4.90, t(115) = 9.36, p < .001 \)), as well as for the *inspired by* (\( M = 4.37, t(115) = 3.14, p < .01 \)) and inspired *to* (\( M = 5.44, t(115) = 13.75, p < .001 \)) subscales.

More importantly, and in line with our expectations, participants in the inspiration condition scored significantly higher on both the combined *customer inspiration* scale (\( t(255) = 13.50, p < .001 \)), and on the *inspired by* (\( t(245.60) = 12.82, p < .001 \)) and *inspired to* sub-dimensions (\( t(248.77) = 10.86, p < .001 \)) than did participants in the neutral condition. This initial cross-validation provides further evidence for the content validity of the proposed measurement of customer inspiration.

### 3.5 Study 5: Nomological Validation

The aim of the fifth study was threefold. First, we sought to validate the measurement properties of the customer inspiration scale in a real shopping situation. Second, by randomly sampling a wide range of shoppers from various retail industries, we aimed to increase the generalizability of findings. Finally, we intended to test the nomological validity of the proposed scale within a network of conceptually related constructs. As described in the theory section, we hypothesize that both transcendent customer experiences (H1) and idea shopping (H2) are antecedents of customer inspiration, while positive affect (H3), customer satisfaction (H4), intention to recommend (H5), impulsive buying (H6), and increased spending (H7) are its consequences. Therefore, we included these two hypothesized antecedents and five consequences of customer inspiration in our validation study.

*Data collection.* The questionnaire that was developed contained the 10 remaining potential scale items, along with scales for the hypothesized antecedents and
consequences of customer inspiration. We used established measures for idea shopping (Arnold and Reynolds 2003), transcendent customer experiences (Schouten, McAlexander, and Koenig 2007), positive affect (Watson, Clark, and Tellegen 1988), customer satisfaction (Mägi 2003), and intention to recommend (Verhoef, Franses, and Hoekstra 2002). We measured impulsive buying by adapting the respective scale from Rook and Fisher (1995) to reflect an outcome rather than a trait. Trained students administered the questionnaire to shoppers as they exited stores located in malls or popular shopping streets. In total, 425 shoppers (52.7 percent female, median age 31) completed the survey.

**Study 5a: Scale reliability and validity.** Replicating the 10-item scale from study 4 resulted in an overall acceptable fit ($\chi^2 = 182.50, df = 34, p < .001; \text{CFI} = .95; \text{TLI} = .93; \text{RMSEA} = .10; \text{SRMR} = .045$). Several modification indices were significant (>3.84) but predominantly low (ranging from 4.00 to 36.59, median 9.62). Because we found no conceptual justification to eliminate any scale items, we retained all 10 scale items (see Appendix A, column “Study 5”). Detailed item and construct statistics are reported in table B-2, column “Study 5”. All factors loaded significantly on their hypothesized constructs, with standardized factor loadings above .60 and item SMCs ranging from .47 to .80. Furthermore, both factors produced coefficient alphas above .70, AVEs exceeding .50, and composite reliabilities greater than .60, indicating convergent validity (Bagozzi and Yi 1988). The AVEs also exceeded the squared inter-construct correlation of $r^2 = .57$, and the two-factor model produced a significantly better fit than an alternative one-factor model ($\Delta \chi^2 = 585.35, \Delta df = 1; p < .001$), indicating discriminant validity (Burnkrant and Page 1982; Fornell and Larcker 1981). Collectively, the aforementioned results strongly support the reliability as well as the convergent and discriminant validity of the proposed customer inspiration measure.

**Study 5b: Nomological network of customer inspiration.** To establish nomological validity, we examined the proposed relationships in a structural equation model that included a measurement model and a structural model.

**Results of measurement model.** A measurement model was estimated to test the reliability and convergent validity for all first-order constructs, including antecedents and consequences of customer inspiration. Psychometric properties of all scales were satisfactory; full details are reported in tables B-3 and B-4. The overall model fit was acceptable ($\chi^2 = 722.01, df = 315, p < .001; \text{CFI} = .94; \text{TLI} = .93; \text{RMSEA} = .055; \text{SRMR} = .046$), with item SMCs between .39 and .90. All items loaded significantly on their designated constructs, with standardized factor loadings above .60. Furthermore,
both coefficient alphas and composite reliabilities exceeded .70, and AVEs were larger than .50, which indicated convergent validity for all constructs (Bagozzi and Yi 1988). We also estimated an alternative single factor model to test for common method bias (Podsakoff and Organ 1986). Findings revealed that our measurement model fit the data significantly better than the alternative model ($\Delta \chi^2 = 3494.44, \Delta df = 35, p < .001$). Thus, we conclude that common method bias does not affect our estimation results. Furthermore, all inter-construct correlations were smaller than the square root of the AVEs, indicating discriminant construct validity (Fornell and Larcker 1981).

Table B-3
Inter-construct correlations

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
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<tbody>
<tr>
<td>1</td>
<td></td>
<td>0.76</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>0.58***</td>
<td>0.85</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>0.60***</td>
<td>0.51***</td>
<td>0.73</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>0.30***</td>
<td>0.29***</td>
<td>0.53***</td>
<td>0.80</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>0.45***</td>
<td>0.41***</td>
<td>0.19**</td>
<td>0.46***</td>
<td>0.78</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>0.23***</td>
<td>0.19***</td>
<td>0.19**</td>
<td>0.01</td>
<td>0.28***</td>
<td>0.90</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>0.22***</td>
<td>0.22***</td>
<td>0.21***</td>
<td>0.11*</td>
<td>0.36***</td>
<td>0.70***</td>
<td>0.75</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>0.15***</td>
<td>0.46***</td>
<td>0.31***</td>
<td>0.30***</td>
<td>0.09</td>
<td>-0.11*</td>
<td>-0.04</td>
<td>0.58</td>
</tr>
<tr>
<td>9</td>
<td></td>
<td>0.24***</td>
<td>0.20***</td>
<td>0.23***</td>
<td>0.04</td>
<td>0.20***</td>
<td>0.18**</td>
<td>0.21***</td>
<td>0.03</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2.97</td>
<td>4.09</td>
<td>2.42</td>
<td>2.95</td>
<td>4.63</td>
<td>5.00</td>
<td>4.93</td>
<td>4.56</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1.47</td>
<td>1.61</td>
<td>1.26</td>
<td>1.50</td>
<td>1.29</td>
<td>1.25</td>
<td>1.41</td>
<td>1.74</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5</td>
<td>5</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: Bold numbers on the diagonal represent the square root of average variance extracted

*p < .05, **p < .01, ***p < .001

Results of structural model. In order to test the proposed relationships within the nomological network, we defined a structural model. Consistent with our scale development, customer inspiration was modeled as a second-order construct with its component processes as reflective first-order constructs. All antecedents and consequences were modeled to directly affect the second-order construct customer inspiration, excluding any direct effects on its component processes. Overall, the estimation of the structural equation model produced satisfactory fit measures ($\chi^2 = 781.27, df = 331, p < .001$; CFI = .93; TLI = .92; RMSEA = .06; SRMR = .055) and revealed significant standardized factor loadings of both inspired by ($\gamma_1 = .74, p < .001$) and inspired to ($\gamma_2 = .76, p < .001$) on the second-order construct customer inspiration. The results of the structural equation model estimation are depicted in figure B-1.
### Table B-4
Measurement model results for latent constructs

<table>
<thead>
<tr>
<th>Construct (based on) / Items</th>
<th>Coefficient alpha</th>
<th>Average variance extracted</th>
<th>Composite reliability</th>
<th>Factor loading</th>
<th>Squared multiple correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inspired by</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>My imagination was stimulated.</td>
<td>0.87</td>
<td>0.58</td>
<td>0.87</td>
<td>0.79</td>
<td>0.62</td>
</tr>
<tr>
<td>I was intrigued by a new idea.</td>
<td></td>
<td></td>
<td></td>
<td>0.78</td>
<td>0.62</td>
</tr>
<tr>
<td>I unexpectedly and spontaneously got new ideas.</td>
<td></td>
<td></td>
<td></td>
<td>0.77</td>
<td>0.60</td>
</tr>
<tr>
<td>My horizon was broadened.</td>
<td></td>
<td></td>
<td></td>
<td>0.78</td>
<td>0.60</td>
</tr>
<tr>
<td>I discovered something new.</td>
<td></td>
<td></td>
<td></td>
<td>0.69</td>
<td>0.48</td>
</tr>
<tr>
<td><strong>Inspired to</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I felt an urge to buy something.</td>
<td>0.93</td>
<td>0.71</td>
<td>0.93</td>
<td>0.89</td>
<td>0.80</td>
</tr>
<tr>
<td>I felt a desire to buy something.</td>
<td></td>
<td></td>
<td></td>
<td>0.89</td>
<td>0.79</td>
</tr>
<tr>
<td>My interest to buy something was raised.</td>
<td></td>
<td></td>
<td></td>
<td>0.87</td>
<td>0.76</td>
</tr>
<tr>
<td>I was inspired to buy something.</td>
<td></td>
<td></td>
<td></td>
<td>0.79</td>
<td>0.63</td>
</tr>
<tr>
<td>I was motivated to buy something.</td>
<td></td>
<td></td>
<td></td>
<td>0.78</td>
<td>0.61</td>
</tr>
<tr>
<td><strong>Transcendent customer experience</strong> (Schouten, McAlester, and Koenig 2007)</td>
<td>0.76</td>
<td>0.53</td>
<td>0.77</td>
<td>0.80</td>
<td>0.64</td>
</tr>
<tr>
<td>This shopping experience was beyond words.</td>
<td></td>
<td></td>
<td></td>
<td>0.73</td>
<td>0.53</td>
</tr>
<tr>
<td>This shopping experience was emotionally intense.</td>
<td></td>
<td></td>
<td></td>
<td>0.65</td>
<td>0.42</td>
</tr>
<tr>
<td>My total attention was on this shopping experience.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Idea shopping</strong> (Arnold and Reynolds 2003)</td>
<td>0.82</td>
<td>0.64</td>
<td>0.84</td>
<td>0.88</td>
<td>0.78</td>
</tr>
<tr>
<td>I go shopping to keep up with new fashions.</td>
<td></td>
<td></td>
<td></td>
<td>0.87</td>
<td>0.75</td>
</tr>
<tr>
<td>I go shopping to keep up with the trends.</td>
<td></td>
<td></td>
<td></td>
<td>0.62</td>
<td>0.39</td>
</tr>
<tr>
<td>I go shopping to see what new products are available.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Positive Affect</strong> (Watson, Clark, and Tellegen 1988)</td>
<td>0.82</td>
<td>0.61</td>
<td>0.82</td>
<td>0.83</td>
<td>0.68</td>
</tr>
<tr>
<td>During my shopping trip I felt…enthusiastic.</td>
<td></td>
<td></td>
<td></td>
<td>0.78</td>
<td>0.61</td>
</tr>
<tr>
<td>…alert.</td>
<td></td>
<td></td>
<td></td>
<td>0.73</td>
<td>0.53</td>
</tr>
<tr>
<td>…excited.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Customer satisfaction</strong> (Mägi 2003)</td>
<td>0.91</td>
<td>0.81</td>
<td>0.93</td>
<td>0.95</td>
<td>0.90</td>
</tr>
<tr>
<td>This store met my expectations very well.</td>
<td></td>
<td></td>
<td></td>
<td>0.89</td>
<td>0.80</td>
</tr>
<tr>
<td>Overall, I am very satisfied with this store.</td>
<td></td>
<td></td>
<td></td>
<td>0.81</td>
<td>0.66</td>
</tr>
<tr>
<td>I would imagine an ideal retailer just like this store.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Impulsive buying</strong> (Rook and Fisher 1995)</td>
<td>0.80</td>
<td>0.58</td>
<td>0.81</td>
<td>0.81</td>
<td>0.65</td>
</tr>
<tr>
<td>I bought things on the spur-of-the-moment.</td>
<td></td>
<td></td>
<td></td>
<td>0.79</td>
<td>0.63</td>
</tr>
<tr>
<td>I bought things spontaneously.</td>
<td></td>
<td></td>
<td></td>
<td>0.68</td>
<td>0.46</td>
</tr>
<tr>
<td>I bought things without thinking.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Intention to recommend</strong> (Verhoef, Franses, and Hoekstra 2002)</td>
<td>0.86</td>
<td>0.75</td>
<td>0.86</td>
<td>0.91</td>
<td>0.83</td>
</tr>
<tr>
<td>How likely are you to recommend this store to someone who seeks your advice?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>How likely are you to say positive things about this store to other people?</td>
<td></td>
<td></td>
<td></td>
<td>0.82</td>
<td>0.68</td>
</tr>
<tr>
<td><strong>Spending</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>How much did you spent for your purchases today?</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Antecedents of inspiration. In line with H1, results support a strong influence of transcendent customer experiences on customer inspiration ($\beta_{13} = .74$, $p < .001$). In H2, we hypothesize that idea shopping relates positively to customer inspiration. While results did not support a significant direct effect of idea shopping on customer inspiration ($\beta_{23} = -.01$, n.s.), its residuals strongly correlated with the residuals of transcendent customer experiences ($\Phi_{12} = .53$, $p < .001$). A follow-up analysis supported a significant indirect effect of idea shopping on customer inspiration through transcendent customer experiences ($\beta_{ind} = .39$, $p < .001$). Thus, it seems that transcendent customer experiences mediate the positive influence of the hedonic shopping motive of idea shopping on customer inspiration.

Consequences of inspiration. All path coefficients from customer inspiration to its proposed consequences were positive and significant. In support of H3, results revealed a positive influence of customer inspiration on customers’ overall positive affect ($\beta_{34} = .58$, $p < .001$). Conforming to our expectations, customer inspiration was also positively related to customers’ satisfaction ($\beta_{35} = .27$, $p < .001$) and intention to recommend ($\beta_{36} = .29$, $p < .001$), in support of H4 and H5. Furthermore, our results support a positive direct effect of customer inspiration on impulse buying ($\beta_{37} = .43$, $p < .001$), in line with H6. Surprisingly, however, our findings also reveal a negative correlation between the residuals of impulse buying and those of the remaining consequences, ranging from -.27 to -.10, $p <.01$, which hints at a possible competitive mediation through impulse buying. In other words, customers feel more positive,
satisfied, and loyal through customer inspiration, but at the same time tend to make impulse purchases that lead to diminished positive affect, satisfaction, and intention to recommend. We elaborate further on the implications of this latter finding in the discussion section. Finally, the results provide evidence for a positive effect of customer inspiration on customers’ spending ($\beta_{38} = .29$, $p < .001$). In order to investigate whether accounting for customer inspiration may actually improve predictions of consumers’ spending — over and above the influence of customer satisfaction — we performed an additional hierarchical regression with the logarithm of consumer spending as dependent variable and satisfaction as a predictor. The results of this analysis reveal that the inclusion of inspiration significantly add to the predictive power for spending, over and above satisfaction ($F(1,374) = 17.36$, $p < .001$). The coefficient of determination substantially increased, from 2.74 percent to 6.55 percent, although in absolute terms the total explained variance remained small.

4 General Discussion

We developed and validated a multi-item measure for the proposed construct of customer inspiration, defined as a state, which is evoked by marketing stimuli, incorporates the realization of new or enhanced consumption-related insights, and motivates customers to purchase a product or service. A 10-item, two-factor scale emerged from the multi-step scale development and validation process (see table B-2). We measured high convergent and discriminant validity of the scale across two samples with dissimilar participant characteristics. Furthermore, the scale discriminated among groups of known levels of inspiration, and evidence of nomological validity within the proposed framework further support the scale’s content validity. Finally, the scale satisfies all important criteria for newly developed construct measures (Bearden, Netemeyer, and Teel 1989; Churchill 1979; Gerbing and Anderson 1988). Several implications for marketing theory and practice can be derived from the proposed construct and its measurement.

4.1 Theoretical Implications

Our results support a two-dimensional, second-order conceptualization of customer inspiration. In line with prior literature on general inspiration (Thrash et al. 2010; Thrash and Elliot 2003, 2004), we initially conceptualized customer inspiration as a latent second-order construct with three distinct sub-dimensions. However, empirical findings indicated the superiority of a two-factor solution over the initial three-factor
model. In line with the aforementioned research, the resulting two factors can be described as capturing the notion of being inspired by a stimulus, as well as being inspired to perform an action. We found these two factors to be distinct, yet related. While to be inspired by captures the evocational and transcendental characteristics of inspiration, to be inspired to refers to the motivational implications of inspiration (Thrash et al. 2010; Thrash and Elliot 2003, 2004). Thus, while the former describes the realization and cognitive processing of a new insight or idea, the latter transforms it into an action or impetus to be followed.

The conceptualization of customer inspiration as a two-dimensional construct calls for further exploration. While the distinctiveness of both process components indicates that one might occur without the other, less clarity exists to indicate which circumstances activate or inhibit one over the other. Might it be possible to activate either component selectively? Conceptually, inspired by seems to be more closely related to the antecedents of customer inspiration, while inspired to is more closely related to its consequences, especially impulsive buying. In a first effort to explore this issue, we defined an alternative first-order model in which inspired by influences inspired to and all antecedents are linked to inspired by, while all consequences are linked to inspired to. Testing this alternative model with the data from study 5b ($n = 425$) produced a model fit that was significantly inferior to our proposed second-order model of customer inspiration ($\Delta \chi^2 = 26.92, \Delta df = 1, p < .001$). However, our cross-sectional data may not be adequate to identify these relationships. Therefore, further research is needed to investigate the possibility of intervening selectively in the component processes of customer inspiration.

More generally, additional research is needed to further understanding of the antecedents and consequences of customer inspiration. While we provide first insights into the nomological network of customer inspiration, more focused studies should attempt to gain a deeper understanding of its drivers and effects. Specifically, customer inspiration was predicted directly by transcendent customer experiences, and indirectly by the hedonic motive of idea shopping. However, little is known about the cognitive processes involved in the generation of customer inspiration.

We present evidence that customer inspiration fosters customers’ positive affect, satisfaction, intention to recommend, and impulsive buying. The relationship of impulsive buying to customer inspiration, especially, requires further investigation. While customer inspiration has positive direct effects on customers’ positive affect, satisfaction, and intention to recommend, we also found evidence for a negative indirect effect on these consequences through impulsive buying. This indirect effect
might indicate the presence of a competitive mediation. Prior research has indicated that customers often normatively evaluate their impulsive buying (Rook and Fisher 1995), which can trigger negative emotions. These negative emotions have the potential to counteract an initial increase in customers’ positive affect and, thus, to inhibit satisfaction and intention to recommend. Hence, the question remains about how a more sustainable form of customer inspiration might deal with this trade-off.

4.2 Managerial Implications

The proposed customer inspiration scale is a reliable and valid tool that can inform managerial decision-making. Our survey of randomly sampled shoppers in study 5 revealed that shopping experiences are rather uninspiring. On average, the current shopping experience scored a mere 3.52 on a 7-point scale. The mean score for inspired by was significantly below the scale midpoint of 4.00 ($M = 2.98, t(406) = -14.07, p < .001$), while the mean score for inspired to was not significantly different ($M = 4.09, t(413) = 1.15, p = .25$). In contrast, the mean score for satisfaction was significantly above the scale midpoint ($M = 5.00, t(424) = 16.29, p < .001$). Hence, shoppers feel rather satisfied, but uninspired by the shopping experience.

To shed further light on this discrepancy, we compared how different retail industries vary in their level of inspiration and satisfaction. In study 5, survey participants indicated whether their purchase was in grocery, consumer electronics, sports, fashion, furniture, or another retail industry. Thirteen participants indicated purchases from multiple categories and were excluded from the following analysis. ANOVA revealed a significant effect of the retail industry on all four of these measures (see fig. B-2). Specifically, the average customer inspiration score differed between industries ($F(5, 384) = 11.78, p < .001$), ranging from 2.86 in grocery retailing to 3.94 in fashion retailing. The difference is accounted for by both the score for inspired by ($F(5, 390) = 10.86, p < .001$) and for inspired to ($F(5, 396) = 7.87, p < .001$). Although the score for satisfaction also varied significantly among different industries, the $F$-value was considerably smaller ($F(5, 397) = 2.24, p = .05$). More importantly, the group means for satisfaction were consistently above the group means for customer inspiration in all industries, ranging from 4.63 to 5.44. In sum, these findings indicate that customers are generally satisfied, but only a few feel inspired across all retail industries studied in our research.
We attribute this difference between customer inspiration and customer satisfaction to the strong emphasis that marketing management and academia place on the latter (Mela, Roos, and Deng 2013). Since Oliver and Westbrook produced their seminal work in the early 1980s (Oliver 1980; Westbrook 1980; Westbrook and Oliver 1981), academic literature has thoroughly analyzed the antecedents and consequences of customer satisfaction, producing a full body of insights (for a review see Szymanski and Henard 2001). A large majority of managers have also adopted customer satisfaction as the primary metric for measuring the customer experience, resulting in calls to extend beyond a narrow focus of that measure (Dixon, Freeman, and Toman 2010).

Customer inspiration is conceptually distinct from customer satisfaction. Results from our nomological network analysis (study 5b) suggest that customer inspiration has direct effects on behavioral outcomes, beyond those of customer satisfaction. Initial evidence from our data (study 5) reveals that inspiration substantially improves predictions of customer spending, in comparison with a model that relies only on satisfaction. Furthermore, certain behaviors (e.g., impulsive buying) appear to be more sensitive to changes in customer inspiration than to customer satisfaction. At present,
however, the majority of shopping experiences are perceived as rather uninspiring, with considerable variance between different industries. Therefore, we recommend that customer inspiration be included as a metric in managerial decision-making. Due to the parsimonious nature of the proposed scale, it would be easy for marketing decision makers to administer side-by-side with existing measures for customer satisfaction and customer delight. With regular application of this scale, managers could also use the scale to assess efficiency of investments in inspiration-enhancing measures. Finally, the scale could also be used for market segmentation. The resulting insights on customers’ cluster memberships could present valuable insights for in-store design and store atmospherics.

4.3 Conclusion

Inspiring customers should lie at the heart of marketing, yet actual shopping experience does not reflect that. By developing a sound measure for customer inspiration, our study establishes the first step toward firmly embedding “inspiration” into management practice. We hope that our work—similar to the research on satisfaction in the 1980s—not only stimulates academic research but also both helps to improve everyday shopping experiences for customers and offers firms a new way to differentiate, eventually leading to better (financial) returns.
References


Barnes, Donald C., Michelle Bednarz Beauchamp, and Cynthia Webster (2010), “To Delight, or Not to Delight? This is the Question Service Firms Must Address,” The Journal of Marketing Theory and Practice, 18 (3), 275–84.


Hair, Joseph F (2010), Multivariate data analysis, Upper Saddle River [etc.]: Pearson.


### Appendix A: Items present at the end of each study

#### Table B-5
Items present at the end of each study

<table>
<thead>
<tr>
<th>No.</th>
<th>Item</th>
<th>Study 1</th>
<th>Study 2</th>
<th>Study 3a</th>
<th>Study 3b</th>
<th>Study 4a</th>
<th>Study 4b</th>
<th>Study 4c</th>
<th>Study 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>My imagination was stimulated.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>I was intrigued by a new idea.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>I unexpectedly and spontaneously got new ideas.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>My horizon was broadened.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>I discovered something new.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>I felt an urge to buy something.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>My interest to buy something was raised.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>I was inspired to buy something.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>I got new ideas and suggestions.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>I got new ideas which could help me develop.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Unexpectedly I got new suggestions.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>I was shown new combinations.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>This purchase was inspiring.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>I received suggestions that created new ideas.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>I got a spontaneous suggestion.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>I received creative ideas.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>17</td>
<td>I came up with creative ideas.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>18</td>
<td>New ideas and stimuli in this store motivated me to buy more.</td>
<td>x x x x x x x x</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>19</td>
<td>This store had several sources of inspiration which gave me new ideas.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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<tr>
<td>20</td>
<td>I looked at things in a new way.</td>
<td>x x x x x x x x</td>
<td></td>
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<tr>
<td>21</td>
<td>Something made me curious.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>22</td>
<td>Something raised my interest.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>23</td>
<td>Something stimulated me to think about it.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>24</td>
<td>Something inspired me.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>25</td>
<td>As a result of the ideas I felt a desire.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>26</td>
<td>In this store I got new ideas and insights that I hadn't known before.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>27</td>
<td>I was inspired.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>During the shopping I got new ideas and insights that I definitely wanted to try out.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>This purchase encouraged me to try new things.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>This shop showed me new ideas and ways.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Something awoke a new desire in me.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>32</td>
<td>Something attracted me at first sight.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>33</td>
<td>I thought about something nice.</td>
<td>x x x x x x x x</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>34</td>
<td>I received a new impulse.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>35</td>
<td>The retailer showed me what I really wanted.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>I bought something just to try it out.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>My eyes got caught by something.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>38</td>
<td>Something was exactly to my taste.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>39</td>
<td>I instantly saw how I could use this myself.</td>
<td>x x x x x x x x</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

*Total number of items: 93*
I wanted things I hadn't thought of before.

I wanted to implement this idea immediately.

I had a wow-effect.

During this shopping trip, I felt inspired.

I got new insights.

Something instantly convinced me.

Suddenly, everything appeared clearly in front of my eyes...

Several products were associated with the same higher goal for me.

I bought several products that help me to reach a higher goal.

Something drove me to buy the product.

Something opened my eyes.

I could perceive the links between different products.

The shop is like a muse to me.

I experienced inspiration throughout this shopping trip.

I saw something special.

I had a flash of inspiration.

I was influenced by the impressions.

The retailer always knows in advance what I really want.

The value added by a product convinced me.

I felt spurred on.

I bought something supplementary.

I had a vision.

A vague idea became concrete for me.

I was delighted.

I had a surprising idea.

I was subconsciously influenced.

During shopping, I got a spontaneous revelation.

I found a new solution.

The store visit awoke hidden needs within me.

The retailer knows what I want before I figure it out myself.

I was unexpectedly motivated to buy.

The store visit motivated me.

Something impressed me.

I felt fascinated by something.

Something encouraged me to buy.

I have perceived a particularly large number of sensory impressions.

I felt attracted by something.

I came up with a new idea.

I could figuratively imagine the use of the product.

I had the revelation to make a purchase.

I got a new idea for a use (of the product).

During the shopping trip, I felt a desire.

During this shopping trip, I had an unexpected revelation.

I got the inspiration to make a purchase.

The retailer has a good sense for what his customers want.

The store visit spurred my creativity.

Something gave me suggestions.

I am very impressed by this shop.
<table>
<thead>
<tr>
<th>Item</th>
<th>Sentence</th>
</tr>
</thead>
<tbody>
<tr>
<td>i89</td>
<td>I felt motivated to purchase something.</td>
</tr>
<tr>
<td>i90</td>
<td>I received a flash of inspiration.</td>
</tr>
<tr>
<td>i91</td>
<td>Something moved me to do something.</td>
</tr>
<tr>
<td>i92</td>
<td>I had an epiphany.</td>
</tr>
<tr>
<td>i93</td>
<td>I had a revelation that you should buy something.</td>
</tr>
<tr>
<td>a1</td>
<td>I was motivated to buy something.</td>
</tr>
<tr>
<td>a2</td>
<td>The purchase was very tempting.</td>
</tr>
<tr>
<td>a3</td>
<td>I adopted a new idea.</td>
</tr>
<tr>
<td>a4</td>
<td>The shopping experience motivated me to try something new.</td>
</tr>
<tr>
<td>a5</td>
<td>I couldn't resist buying.</td>
</tr>
<tr>
<td>a6</td>
<td>I had an &quot;Aha!&quot; experience.</td>
</tr>
<tr>
<td>a7</td>
<td>My idea of a perfect product changed.</td>
</tr>
<tr>
<td>a8</td>
<td>A new need was awakened in me.</td>
</tr>
<tr>
<td>a9</td>
<td>I bought something spontaneously.</td>
</tr>
<tr>
<td>a10</td>
<td>The new idea motivated me to buy the product.</td>
</tr>
<tr>
<td>a11</td>
<td>I wanted to implement the new ideas, by buying the product.</td>
</tr>
<tr>
<td>a12</td>
<td>The inspiration motivated me to a purchase.</td>
</tr>
<tr>
<td>a13</td>
<td>The new idea motivated me.</td>
</tr>
<tr>
<td>a14</td>
<td>The new ideas created a desire in me.</td>
</tr>
<tr>
<td>a15</td>
<td>Something motivated me to a purchase.</td>
</tr>
<tr>
<td>a16</td>
<td>I received a new goal.</td>
</tr>
<tr>
<td>a17</td>
<td>I deviated from my shopping list.</td>
</tr>
<tr>
<td>a18</td>
<td>I set myself a new goal during this shopping trip.</td>
</tr>
</tbody>
</table>

Note: *i* items in the initial item pool; *a* items from the additional item generation (study 3b).
Appendix B: Instructions for participants in the expert panel (Study 2)

Please evaluate the following statements (items) regarding their adequacy for measuring the construct *customer inspiration*. In line with the psychological construct of *inspiration* (Thrash & Elliot, 2003), *customer inspiration* is characterized by three components. In a marketing context, customer inspiration is defined as follows:

“*Customer inspiration* is a state which

1. is evoked by marketing stimuli (evocation),
2. leads to a new, higher insight (transcendence), and
3. motivates customers to buy a new product or service (motivation)”.

Please first indicate how well each of the following statements fits the overall construct or its dimensions. A fit of one represents a very bad fit, whereas a fit of five represents a very good fit. Finally, please choose those five items from the list that in your opinion best represent *customer inspiration*. 
Appendix C: Instructions for closed and open card sorting tasks (Study 3a)

Instructions for the open card-sorting task read as follows:
Customer inspiration is a new construct in marketing that describes the feeling of being inspired within the shopping process. Please sort the following statements into different categories that make sense to you. Drag each statement from the left into the best-suited category on the right. You are completely free to create as many categories as you feel comfortable with. Please name all your categories before submitting your survey.

Instructions for the closed card-sorting task read as follows:
Customer inspiration is a new construct in marketing, which describes the feeling of being inspired within the shopping process. Please sort the following statements into different categories that make sense to you. Drag each statement from the left into the best-suited category on the right. You cannot change or edit the categories. Therefore, please make sure you understand each of the four categories. Here is a short explanation:

- "Evocation" refers to the fact that customer inspiration is evoked by a source other than oneself (e.g., an advertisement or something in the store).
- "Motivation" refers to the fact that inspired individuals want to act on their new ideas and insights, often by buying a product or service.
- "Transcendence" refers to the fact that customer inspiration leads to the realization of a new and higher insight or idea.
- "Other" can be used for items that do not seem to fit to customer inspiration.
C  Paper 2: A Goal-Systemic Perspective on Inspiration in Marketing

Authors
Tim Böttger

Abstract
While inspiration plays an essential role in everyday consumer language and marketing practice, practitioners often lack a clear understanding of the drivers of inspiration. Scientifically, inspiration challenges established categorizations as it combines cognitive and motivational aspects of human behavior. By integrating inspiration with goal systems theory, this paper proposes a framework for the psychological processes which drive inspiration in marketing. Across three experimental studies, we test the ability of a goal-systemic perspective to predict effects on inspiration. Study 1 reveals that inspiration can result both from the addition of new means as well as new goals and depends on participants’ pre-existing goal-systems. Study 2 replicates these findings and shows that the effects on inspiration are largely mediated by the strength of new goal-means associations. Finally, study 3 explores the effect of participants’ mindsets on inspiration through new goals and means. Overall, these results provide evidence that the effects of realizing new goals and new means on inspiration depend on pre-existing goal systems and mindsets in a way that is consistent with goal systems theory. Therefore, goal systems theory can provide a useful framework for the analysis of inspiration in consumer research.

Conference Presentations
Accepted at the 2015 North American Conference of the Association for Consumer Research (ACR) in New Orleans, USA.
1 Introduction

The use of inspiration as a concept in everyday consumption situations is widespread. For example, inspiration is featured in marketing slogans for automobiles (“Chrysler. Inspiration comes standard.”), digital cameras (“Canon. Inspired by you.”), electronics (“Compaq. Inspiration technology.”), and coffee (“Idee coffee. The coffee that inspires.”). Other companies, such as EasyJet and Emirates, offer dedicated web tools that aim at inspiring customers by presenting customized offers based on individual goals. Furthermore, anecdotal evidence suggests that inspiration is often used by consumers colloquially to describe their shopping experiences. Finally, one of the core functions of marketing arguably is to inspire consumers with new ideas and product insights. However, in spite of its importance for marketing practice, there is still surprisingly little research on inspiration in consumer research. Therefore, marketing managers often seem to lack a clear understanding of the drivers of inspiration and instead rely on trial-and-error strategies or heuristics. Meanwhile, the opportunities to inspire customer along their decision journey multiply with new technological advances and digital media, thus raising the complexity of traditional marketing approaches (Edelman 2010). Marketing practitioners would therefore benefit from a framework that includes the psychological process of inspiration and can be used to systematically analyze its drivers.

Interest in the study of inspiration in general has increased recently due to a new understanding of the concept as combining cognitive and motivational aspects of human behavior. Thrash and Elliot (2003, 2004) conceptualize inspiration as a dualistic state that involves a cognitive component of being inspired by something as well as a motivational component of being inspired to do something. Based on this conceptualization, subsequent research examined the relation of inspiration to well-being (Thrash, Elliot, et al. 2010), the creative process (Thrash, Maruskin, et al. 2010), and goal progress (Milyavskaya et al. 2012). However, research on the drivers of inspiration remains scarce. While various internal and external sources of inspiration have been proposed (Thrash and Elliot 2003), prior research hardly contributed to the understanding of the psychological mechanism through which inspiration is evoked.

We aim at closing this research gap by integrating the dualistic conceptualization of inspiration with goal systems theory (Kruglanski et al. 2002). Thus, the goal of this research is to provide a new framework for the psychological mechanism that drives inspiration. The remainder of this paper is structured as follows. First, an overview of relevant prior literature on inspiration as well as goal systems theory is provided and,
based thereupon, a goal-systemic perspective on inspiration is proposed. Second, three empirical studies in the context of physical exercising test specific hypotheses derived from the proposed framework. Finally, the theoretical and practical contributions of the research are discussed and directions for future research are provided.

2 Theoretical Background

2.1 Inspiration as a Dualistic Concept

Inspiration was often conceived as part of more general emotions rather than a construct by itself. For example, in an effort to structure individual moods, Zevon and Tellegen (1982) collected a checklist of 60 adjectives to describe 20 different mood categories. In this initial list, inspired was included in a mood category together with excited and enthusiastic. This list of adjectives was collapsed to two factors, which provided the basis for the widely used Positive And Negative Affect Scale (Watson, Clark, and Tellegen 1988). Within this scale as well as in its short form (Mackinnon et al. 1999), inspired is used as a reflective indicator for positive affect. Likewise, other scholars used inspiration to measure a general elevated mood that was defined as the emotional reaction to moral exemplars (Algoe and Haidt 2009; Haidt 2000; Huta and Ryan 2010). Finally, Mano and Oliver (1993) assigned inspired, surprised, and astonished to a common factor in order to describe the emotion of surprise in the context of purchase experiences.

Accumulating evidence suggests that inspiration is a distinct concept that is more complex than general emotions as it includes a cognitive component as well as a motivational component (Thrash et al. 2014). A qualitative study based on in-depth interviews by Hart (1998) concluded that inspiration is a mundane experience which is characterized by feelings of connection, openness, clarity, and energy as well as the cognitive processing of a new insight. Specifically, the author states:

“[…] neither an insight without the emotion and perceptual alteration nor a strong emotional feeling without the knowledge or perspective are described as inspirations. The two are fused in this relationship.” (Hart 1998, p. 19)

Later conceptualizations by Thrash and Elliot (2003, 2004) support this dualistic view and define inspiration as a hybrid concept which can be decomposed into two component processes. The first process, inspired by, involves the “appreciation of and accommodation to an evocative object” (Thrash and Elliot 2004, p. 958). In other
words, one learns about something better or more important than one’s usual concern through an impulse from the outside. The second process, *inspired to*, involves the “motivation to extend the qualities exemplified in the evocative object” (Thrash and Elliot 2004, p. 958). As such, it is synonymous with the urge to follow up on the new idea. For example, an artist might experience inspiration by receiving stimulation from the environment, which sparks a new idea in his/her mind (*inspired by*), and which then motivates him/her to express this new idea in a work of art (*inspired to*).

The cognitive component involves the realization of a new idea. Sources for these new ideas may include one’s own unconsciousness as well as external sources (Thrash and Elliot 2003). For example, the creative process is believed to consist of four phases: exploration, fixation, incubation, and insight (Burroughs, Moreau, and Mick 2008). While exploration and fixation are predominantly conscious and involve a great amount of concentration, the phase of incubation, in which new associations are formed and that ultimately precedes conscious insights, is characterized by a loss of conscious focus (Ward, Smith, and Finke 1999). Moreover, external sources of inspiration are also plentiful and include nature, music, literature, and other humans (Thrash and Elliot 2003). For example, Lockwood and Kunda (1997, 1999) find that exposing participants to high-achieving role models leads them to adopt new, higher aspirations for their own work. Similarly, Thrash and Elliot find that exposing participants to displays of mastery can elicit inspiration (Thrash, Elliot, et al. 2010, study 1). Furthermore, inspiration can also result from watching moral exemplars, as participants felt more elevated and inspired after watching video clips from a documentary on the life of Mother Teresa (Haidt 2000). Algoe and Haidt (2009) therefore propose that inspiration can result from admiration. Finally, inspiration from these different sources seems to be facilitated by a general openness to experiences and new ideas (Thrash and Elliot 2004).

The motivational component of this dualistic conceptualization indicates that inspiration is an appetitive state that leads to a strong motivation to act on this new idea (Thrash and Elliot 2004). In the context of consumption decisions, this might imply a willingness to consume products or services that are seen as instrumental to fulfill this motivation. Therefore, inspiration may increase customer spending and sales for retailers (Rudolph, Böttger, and Amgwerd 2013). Furthermore, inspiration is a desirable state for most individuals, since it increases perceived competence, self-esteem, optimism, self-determination, absorption in one’s task, positive affect, and general well-being (Thrash, Elliot, et al. 2010; Thrash and Elliot 2003, 2004). In a marketing context, prior research shows that searching for new ideas can be a motive
for customers to shop (Arnold and Reynolds 2003) and that the experience of transcendent customer experiences are highly valued by customers and lead to strengthened ties to a brand community and brand loyalty (Schouten, McAlexander, and Koenig 2007).

In conclusion, inspiration is a dualistic concept that includes a cognitive as well as a motivational component. Inspiration seems highly relevant for human behavior in general and consumer behavior in particular. This research builds on the dualistic conceptualization of inspiration and adopts a goal-systemic perspective in order to propose a possible psychological process that might cause inspiration.

2.2 Goal Systems Theory

Goal systems theory seems especially suitable for the study of inspiration, since it is able to integrate aspects of motivation as well as cognition. Whereas motivation was traditionally seen as separate from cognition, Kruglanski et al. (2002) proposed goal systems theory as part of a new motivation as cognition paradigm. Motivational phenomena such as goal commitment, means choice, goal striving, and goal conflict are explained by the interplay of different goal systems. These are defined as “mental representations of motivational networks which are composed of interconnected goals and means” (Kruglanski et al. 2002, p. 333). Since goals can differ in their specificity (Locke and Latham 1990), goal systems are commonly presented in a hierarchical structure in which more abstract goals are towards the top of the hierarchy, whereas more concrete sub-goals and means are on the bottom of the hierarchy. For illustration, one possible system of interconnected goals and means is depicted in figure C-1. Goal systems share the general structural and allocational properties that govern all cognition, but further incorporate motivational properties (Kopetz et al. 2012).
The structural properties of goal systems involve the form and strength of links between goals and means (Kruglanski et al. 2002). These links represent associations between constructs along which properties such as activation, commitment, and affect can be transferred (Fishbach, Shah, and Kruglanski 2004). This transfer of properties can flow in any direction such as from goals to means as well as from means to goals and depends on the strength of the association (Shah and Kruglanski 2003). Furthermore, these links can exist between constructs on different levels as well as on the same level. Vertical links (i.e., between goals and means) typically indicate facilitative relationships and can be expressed as the instrumentality of the means to achieve the goal (Kopetz et al. 2012). As a result, the valuation of a means depends both on the activation of the associated goal as well as on the strength of their association (van Osselaer and Janiszewski 2012). In contrast, horizontal links between constructs on the same level tend to be inhibitory. For example, goal shielding (Shah, Friedman, and Kruglanski 2002) describes the phenomenon that commitment to one goal tends to inhibit the activation of other, conflicting goals. Similarly, commitment to a specific means makes it more difficult for participants to take advantage of other goal-related means (Bayuk, Janiszewski, and Leboeuf 2010).

Two types of prototypical configurations, namely equifinality and multifinality, are commonly distinguished to describe the structure of goal systems. Equifinality occurs when a goal is connected to multiple means, whereas multifinality describes a means serving multiple goals (Kopetz et al. 2012; Kruglanski et al. 2002). In figure C-1 for example, means 1 and means 2 represent an equifinal configuration, because both means serve sub-goal 1. In contrast, means 4 demonstrates multifinality, because it serves sub-goal 2 and sub-goal 3. Other things being equal, consumers often prefer...
multifinal means, because they can attenuate goal conflict (Kopetz et al. 2012). As illustrated in figure C-1, goal systems are not limited to these two configurations and often appear as complex structures composed of multiple of these prototypical building blocks.

The *allocation properties* of goal systems are based on the belief that mental resources are limited and, thus, the sum of the resources distributed among various goals and means remains constant (Kruglanski et al. 2002). For example, the computational model of goal system proposed by van Osselaer and Janiszewski (2012) assumes a relative nature of goal activation, implying that increasing the activation of one goal usually decreases the activation of competing goals. Another consequence of this constant-sum property is the dilution of activation (Kopetz et al. 2012; Kruglanski et al. 2002; Zhang, Fishbach, and Kruglanski 2007), namely that a higher total number of goals or means dilutes the instrumentality of each individual means to each individual goal. In contrast, unique associations in which one goal is exclusively linked to one means can create intrinsic motivation to pursue the means (Kruglanski et al. 2002) and may therefore lead to the emergence of habits (Wood and Neal 2007, 2009). Like other mental constructs, goals thus depend on mental resources which can be shared, pulled away, depleted, or regenerated.

Goal systems differ from other cognitive systems because of their *motivational properties*. Unlike other cognitive concepts, goals are representations of a future object that an individual is committed to approach or avoid (Elliot and Niesta 2009). Commitment to a goal determines the motivation with which this goal is pursued. According to the theory of planned behavior (Fishbein and Ajzen 1975), motivation, perceived behavioral control, and social norms subsequently determine behavior. In other words, motivation can explain why a person in a given situation selects one response over another or makes a given response with great effort or frequency (Gollwitzer and Oettingen 2012). Therefore, goal systems theory is able to make unique, more accurate predictions about human behavior.

Goals also play a pivotal role in consumer behavior (Bagozzi and Dholakia 1999). Therefore, it is not surprising that goal systems theory has been applied in this field (for a review see Kopetz et al. 2012). Some recent advances include the application of goal systems theory to variety seeking (Etkin and Ratner 2012, 2013; Goukens et al. 2007), impulsive buying (Ramanathan and Menon 2006), habits (Wood and Neal 2007, 2009), stereotypes (Campbell and Mohr 2011), and self-regulation (Finkelstein and Fishbach 2010; Laran 2010; Laran and Janiszewski 2009; Mukhopadhyay, Sengupta, and Ramanathan 2008). Furthermore, goal systems theory also bears some
resemblance to prior literature on means-end chains in marketing research (Gutman 1982; Pieters, Baumgartner, and Allen 1995; Zeithaml 1988). In conclusion, goal systems theory represents a useful and widely adopted framework for the analysis of goal-specific consumer behavior. The present research extends this literature by integrating the construct of inspiration.

2.3 Inspiration from a Goal-Systemic Perspective

We propose a goal-systemic perspective on inspiration that embeds the inherent motivational and cognitive aspects of inspiration into goal systems theory. Two propositions are essential to this perspective. First, the goal-systemic perspective focuses on novelty as a key to inspiration. The reception of a new idea or insight is a defining characteristic of inspiration (Thrash et al. 2014). Specifically, inspiration is characterized by the learning of something better or more important than one’s usual concern (Thrash and Elliot 2003, 2004). Most of the episodes of inspiration reported by Hart (1998) include the realization, learning, or recognition of a novel aspect. As in all knowledge structures, goal systems are able to incorporate novel information by altering the structure of the goal system (Kopetz et al. 2012; Kruglanski et al. 2002). Specifically, learning and forgetting affect the associations between a given goal and corresponding means (van Osselaer and Janiszewski 2012). In other words, a new idea or insight is accommodated within an existing goal system by altering the association between goals and means. In the most extreme case, a customer might realize a new goal or means which may lead to the formation of completely new goal-means associations and the state of inspiration. Integrating inspiration with goal-systems theory, thus, suggests that the realization of a new idea might lead to changes in consumers’ goal systems which then evokes inspiration. In other words,

P1: Inspiration results from the realization of new goal-means associations.

Second, the strength of associations between goals and means varies with the perceived instrumentality of the means to the goals (Kopetz et al. 2012; Kruglanski et al. 2002). Furthermore, it has been proposed that the intensity of learning can be expressed as the change in the strength of goal-means associations (van Osselaer and Janiszewski 2012). Similarly, the intensity of the level of inspiration varies between subjects and within subjects over time (Thrash, Elliot, et al. 2010; Thrash and Elliot 2003, 2004), suggesting that inspiration is not dichotomous, but forms a continuum between very low and very high levels of inspiration. Integrating inspiration with goal
systems theory, it therefore seems reasonable that the level of inspiration might be affected by the change of the association as well. Hence, it is proposed that

**P2:** The perceived intensity of inspiration is proportional to the strength of the new goal-means association.

These two propositions are the foundations of our goal-systemic perspective on inspiration in marketing. As a result, the principles of goal systems theory are expected to also apply to inspiration. Specifically, inspiration depends on customers’ existing goal systems and may differ for the addition of new goals and new means. The remainder of this paper tests specific hypotheses derived from these propositions in the context of physical exercising. Study 1 analyzes the differing effects of new goals and new means of exercising on inspiration for experts and non-experts. In study 2, the goal systems of participants are actively manipulated and a test for mediation through perceived goals-means instrumentalities is performed. Finally, study 3 demonstrates the moderating effect of consumers’ abstract and concrete mindsets.

3 **Study 1: The Addition of Goals and Means**

From a goal-systemic perspective, both the addition of new goals and new means represent extensions of existing goal systems that lead to new goal-means associations and, thus, inspiration. However, the strength of these new associations and the intensity of inspiration depend on consumers’ pre-existing goal systems. In this study, we analyze the effect of exposing participants to new goals and new means on inspiration and the interaction with participants’ level of expertise.

The effects on inspiration are expected to differ for experts and non-experts as they may respond differently to new means and goals. Experts possess higher subject knowledge and involvement than non-experts (Alba and Hutchinson 1987) and may react strongly to learning new means, because the associated goal is highly valued. On the other hand, this high value may discourage inspiration through learning new goals, because each additional goal only adds marginally to the already high value of the activity. Therefore, it is hypothesized that:

**H1:** For experts, the addition of *new means* has a stronger effect on inspiration than the addition of *new goals*.

In contrast, non-experts may feel less inspired by learning new means, because they value the associated goal less. However, exposing non-experts to new goals is
hypothesized to increase inspiration, because it increases the importance of the activity. More formally,

**H2:** For non-experts, the addition of *new goals* has a stronger effect on inspiration than the addition of *new means*.

In sum, a three-way interaction between novelty, content (goals vs. means), and expertise is expected. To investigate the hypothesized interaction, a 2 (novelty: high vs. low) x 2 (content: goals vs. means) between-subjects design was used, crossed with a continuous measure for expertise.

### 3.1 Method

**Participants.** Two hundred and one U.S. respondents participated in an online experiment for a payment of $0.50. The median age was 32 and 46% of the participants were female. Participants in both content conditions were randomly assigned to either a high or low novelty condition.

**Materials and Procedure.** Upon start of the study, participants answered a series of exercise-related questions (i.e., exercise frequency, level of activity, importance of exercising, commitment to exercising, knowledge about exercising, and variety of their training) on 5-point scales to assess their level of expertise ($\alpha = .89$). Participants in the high novelty condition were then exposed to either ten new goals related to why one should stay active (e.g., you’ll sleep better; you’ll improve your memory; you’ll have more energy) or ten new means for how to stay active (e.g., rock-climbing; geocaching; martial arts). The goals and means were adapted from two articles on the self-improvement blogs *Lifehacker* (Whitson 2013) and *Nerd Fitness* (Kamb 2013), respectively. Each description featured a tag line and a short paragraph (see appendix A). In the low novelty condition, participants only read a subset of three randomly chosen goals or means. All participants then completed measures for inspiration and novelty.

**Measures.** Overall perceived novelty was assessed on a seven-point scale ranging from “Not new at all (1)” to “Completely new (7)”. Furthermore, participants indicated the number of goals and means paragraphs that were new to them. In order to measure inspiration, we adapted the state version of the inspiration scale (Thrash, Elliot, et al. 2010). Specifically, participants indicated their agreement to four items on a scale from “Strongly disagree (1)” to “Strongly agree (7).” These items were: “I experienced inspiration just now,” “This information inspired me,” “I am inspired to get more
active,” and “I feel inspired.” Responses were averaged to create an index for inspiration. Cronbach’s α was .98 in the present study.

3.2 Results

Manipulation checks. As expected, a 2 (novelty) x 2 (content) ANOVA on perceived novelty revealed that participants perceived a higher level of overall novelty in the high novelty condition ($M_{\text{high-novelty}} = 3.75$) than in the low novelty condition ($M_{\text{low-novelty}} = 3.03, F(1, 197) = 10.81, p < .01$). Furthermore, 86% of participants in the high novelty condition reported that at least one paragraph was new to them, compared to 61% of participants in the low novelty condition ($\chi^2(1) = 14.77, p < .001$). Together, these results indicate that the manipulations of perceived novelty were successful.

Effects on inspiration. Perceived inspiration was submitted to an ANOVA with two discrete factors (novelty: low vs. high and content: means vs. goals) and one continuous factor (expertise). The analysis revealed the predicted novelty x content x expertise three-way interaction ($F(1, 193) = 7.07, p < .01$) as well as main effects for novelty ($F(1, 193) = 6.95, p < .01$), content ($F(1, 193) = 4.82, p < .05$), and expertise ($F(1, 193) = 16.64, p < .001$). No other effects were significant ($Fs < 1$). To interpret these results, spotlight analyses (Fitzsimons 2008) for expertise at its mean plus and minus one standard deviation were performed (see fig. C-2). In line with H1, experts felt more inspired if they read ten means ($M_{\text{high-novelty-means-experts}} = 5.36$) than if they read three means ($M_{\text{low-novelty-means-experts}} = 4.21, F(1, 193) = 6.97, p < .01$), but there was no effect of novelty if experts read goals ($M_{\text{high-novelty-goals-experts}} = 5.44, M_{\text{low-novelty-goals-experts}} = 5.48, F < 1$). In contrast, non-experts felt more inspired if they read ten goals ($M_{\text{high-novelty-goals-non-experts}} = 4.99$) than if they read only three goals ($M_{\text{low-novelty-goals-non-experts}} = 3.77, F(1, 193) = 8.07, p < .01$), but, in support of H2, there was no effect of novelty if non-experts read means ($M_{\text{high-novelty-means-non-experts}} = 4.09$ vs. $M_{\text{low-novelty-means-non-experts}} = 4.04, F < 1$).
3.3 Discussion

Study 1 shows that inspiration can result both from the addition of new goals or new means to existing goal systems. However, the effect of novelty on participants’ level of inspiration depends on the type of content (goals vs. means) and their level of expertise. Specifically, when participants were exposed to new means for how to exercise, the number of means increased inspiration only for experts. In contrasts, when participants were exposed to new goals suggesting why to exercise, the number of goals increased inspiration only for non-experts. This finding is consistent with a goal-systemic view of inspiration.

One limitation of this study was that it relied on natural variations in the level of expertise between subjects and not on an experimental manipulation thereof. Thus, alternative explanations for the results in this study may exist. Furthermore, this study did not directly assess participants’ goal-means associations or instrumentalities. In order to address these issues, the following study relies on an active manipulation of the participants’ goal systems and measures perceived goal-means instrumentalities.
4  **Study 2: Inspiration and Goal Conflict**

One of the aims of study 2 was to replicate the findings from study 1 that the addition of new constructs leads to inspiration and depends on customers’ goal systems by using an active manipulation of participants’ goal systems. As in study 1, novelty of means was manipulated by exposing participants either to a low or high number of new means. In contrast to study 1, the study did not vary the number of new goals, but instead manipulated the level of goal conflict between two goals to manipulate the goal system between participants. More specifically, an *active lifestyle* goal as well as a *job performance* goal were activated. We then primed participants to perceive these two goals either as conflicting (i.e., active lifestyle hinders job performance) or as facilitative (i.e., active lifestyle supports job performance) to each other. Afterwards, participants were exposed to either a high or low number of new means to manipulate novelty. Figure C-3 illustrates the conceptual goal systems in the four cells of this 2 (goal conflict: high vs. low) x 2 (novelty: high vs. low) experimental design.

**Figure C-3**  
Conceptual goal systems by experimental condition

In line with our theorization and the results of study 1, we predict that the addition of new means has a positive effect on perceived inspiration. However, if the goals of active lifestyle and job performance are in conflict, goal shielding (Shah, Friedman, and Kruglanski 2002) might occur. In this case, the primary goal of an active lifestyle might inhibit the goal of job performance and, thus, hinder the formation of new goal-means associations. Therefore, we expect a negative effect of goal conflict on
perceived inspiration in addition to the positive effect of novelty. More formally, we hypothesize that:

**H3**: Participants’ level of inspiration (a) increases with the novelty of the means and (b) decreases with the level of conflict between the associated goals.

Proposition P2 predicts, that the level of inspiration is proportional to the strength of new goal-means associations. These goal-means associations can be represented in terms of instrumentalities of the means towards the goals (Kopetz et al. 2012). As depicted in figure C-2, we expect that the addition of more new means increases the number of new goal-means associations and therefore the total instrumentality of the new means to both the active lifestyle goal and the job performance goal. Furthermore, due to the inhibition discussed above, goal conflict is predicted to have a negative effect on the instrumentalities of the means towards the job performance goal. According to the proposed goal-systemic perspective on inspiration, these differences in goal-means associations cause differences in the level of inspiration. Therefore, we expect that novelty and goal conflict influence inspiration through changing the strength of goal-means instrumentalities. In other words,

**H4**: The effects of (a) goal conflict and (b) novelty on inspiration are mediated by the perceived instrumentalities of the new means to achieve the focal goals.

### 4.1 Method

**Participants.** Four hundred and one U.S. respondents participated in an online experiment for a payment of $0.50. An online gateway was used to ensure that none of the participants in this study had participated in any similar prior studies. The sample consisted of 186 female and 215 male participants with a median age of 30 years. Participants were randomly assigned to one of four conditions of a 2 (novelty: high vs. low) x 2 (goal conflict: high vs. low) between-subjects design.

**Materials and procedure.** First, participants were asked to read a short essay about work and physical activity. For participants in the high goal conflict condition, the essay was titled “Staying Active vs. Job Performance” and argued that an active lifestyle may conflict with job performance due to time constraints and fatigue. These participants were then asked to describe one situation from their own life in which physical activity conflicted with their work. In contrast, participants in the low goal conflict condition read an essay titled “Staying Active for Job Performance” which argued that an active lifestyle may increase job performance due to increased alertness and productivity. On the following page, these participants were asked to describe one
situation from their own life in which physical activity was beneficial to their work. Both essays are reproduced in appendix B. Participants were then exposed to a high or low number of different means for how to stay active. The study used the same means as study 1 (see appendix A) and presented them as alternative means to conventional activities like exercising, running, or fitness routines. In the high novelty condition, participants were exposed to all ten means in random order. In the low novelty condition, a subset of three means was randomly selected and presented to the participants. All participants then completed scales measuring their perceptions of novelty, goal conflict, instrumentality of the means, and inspiration.

Measures. As in study 1, perceived novelty was assessed on a 7-point scale ranging from “Not new at all (1)” to “Completely new (7)”. Furthermore, participants indicated the number of means that were new to them. Perceived goal conflict between the goals of an active lifestyle and job performance was assessed as agreement to four items on a seven-point scale ranging from “Strongly disagree (1)” to “Strongly agree (7)” (α = .75). To assess the perceived instrumentality of the means for achieving the goal of an active lifestyle, participants were asked “If you want to become more active, how useful would these activities be? Not useful at all (1)/ Extremely useful (7).” Likewise, instrumentality of the means for achieving the goal of job performance was measured with the question “If you want to increase your job performance, how useful would these activities be? Not useful at all (1)/Extremely useful (7).” Inspiration was assessed using the same four-item, seven-point scale as in study 1 (α = .97).

4.2 Results

Manipulation checks. As expected, a 2 (novelty: high vs. low) x 2 (goal conflict: high vs. low) ANOVA on perceived novelty revealed that participants in the high novelty condition (M_{high-novelty} = 3.85) perceived the presented means as significantly more novel than in the low novelty condition (M_{low-novelty} = 3.41, F(1, 397) = 6.13, p < .05). Furthermore, in the high novelty condition 87% of participants indicated that at least one means was new to them, compared with 68% in the low novelty condition (χ²(1) = 20.78, p < .001). Finally, an ANOVA on perceived goal conflict revealed that participants in the high goal conflict condition (M_{high-conflict} = 3.47) perceived the goals of active lifestyle and job performance to be more conflicting than participants in the

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6 Those four items were: An active lifestyle conflicts with job performance; There is a trade-off between job performance and staying active; Job performance and an active lifestyle are similar goals; An active lifestyle is beneficial for job performance. The latter two items were reverse coded.
low goal conflict condition ($M_{\text{low-conflict}} = 2.38$, $F(1, 397) = 120.63$, $p < .001$). No other effects were significant ($Fs < 1$). In sum, the manipulations for novelty and goal conflict worked as intended.

**Effects on inspiration.** Inspiration was submitted to a 2 (novelty: high vs. low) x 2 (goal conflict: high vs. low) ANOVA. In line with our prediction (H3a), the analysis revealed a significant main effect of novelty ($F(1, 397) = 44.55, p < .001$, Cohen’s $d = .67$). As reported in table C-1, participants felt more inspired when they were exposed to ten means to stay active ($M_{\text{high-novelty}} = 5.26$) than when they were presented with three means ($M_{\text{low-novelty}} = 4.21$). Moreover, the analysis also revealed the predicted main effect of goal conflict on inspiration ($F(1, 397) = 3.13, p = .08$, Cohen’s $d = .18$), in support of H3b. Participants who were primed with a high goal conflict between an active lifestyle and job performance ($M_{\text{high-conflict}} = 4.59$) felt marginally less inspired than participants in the low goal conflict condition ($M_{\text{low-conflict}} = 4.87$). There was no significant interaction ($F(1, 397) = 1.08, p = .30$), indicating that the effect of goal conflict on inspiration was additive to the effect of novelty.

![Table C-1](https://example.com/table_c1.png)

**Table C-1**

Effects of novelty and goal conflict on the dependent variables

<table>
<thead>
<tr>
<th></th>
<th>Novelty</th>
<th></th>
<th>Goal Conflict</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td></td>
<td>(n = 205)</td>
<td>(n = 196)</td>
<td>(n = 199)</td>
</tr>
<tr>
<td>Perceived inspiration</td>
<td>4.21</td>
<td>5.26</td>
<td>4.87</td>
</tr>
<tr>
<td>$F(1, 397)$</td>
<td>44.55***</td>
<td></td>
<td>3.13†</td>
</tr>
<tr>
<td>Cohen’s $d$</td>
<td>.67</td>
<td>.18</td>
<td></td>
</tr>
<tr>
<td>Instrumentality for</td>
<td>4.52</td>
<td>5.48</td>
<td>5.07</td>
</tr>
<tr>
<td>active lifestyle</td>
<td></td>
<td></td>
<td>4.93</td>
</tr>
<tr>
<td>$F(1, 397)$</td>
<td>35.29***</td>
<td></td>
<td>.82</td>
</tr>
<tr>
<td>Cohen’s $d$</td>
<td>.59</td>
<td>.09</td>
<td></td>
</tr>
<tr>
<td>Instrumentality for</td>
<td>3.95</td>
<td>4.71</td>
<td>4.59</td>
</tr>
<tr>
<td>job performance</td>
<td></td>
<td></td>
<td>4.07</td>
</tr>
<tr>
<td>$F(1, 397)$</td>
<td>20.35***</td>
<td></td>
<td>9.45**</td>
</tr>
<tr>
<td>Cohen’s $d$</td>
<td>.45</td>
<td>.31</td>
<td></td>
</tr>
</tbody>
</table>

Note: † $p < .10$; ‡ $p < .05$; § $p < .01$; *** $p < .001$

**Effects on perceived instrumentality.** The scores for perceived instrumentality of the means for the goals of (1) an active lifestyle and (2) job performance were submitted to a 2 (novelty: high vs. low) x 2 (goal conflict: high vs. low) ANOVA. The results are reported in table C-1. The analysis for the instrumentality for an active lifestyle revealed only a significant main effect of novelty ($F(1, 397) = 35.29, p < .001$, Cohen’s $d = .59$). As expected, participants that were exposed to ten means ($M_{\text{high-novelty}} = 5.48$) perceived the means as more useful to achieve an active lifestyle than participants who were exposed to only three means ($M_{\text{low-novelty}} = 4.52$). No other
effects were significant ($F$s < 1). For instrumentality for job performance, the analysis also revealed a main effect of novelty ($F(1, 397) = 20.35, p < .001$, Cohen’s $d = .45$).

In line with our expectations, participants in the high novelty condition ($M_{\text{high-novelty}} = 4.71$) perceived the means as more useful for increasing job performance than participants in the low novelty condition ($M_{\text{low-novelty}} = 3.95$). More importantly, the analysis additionally revealed a main effect of goal conflict on instrumentality for job performance ($F(1, 397) = 9.45, p < .01$, Cohen’s $d = .31$). As predicted, participants in the high goal conflict condition ($M_{\text{high-conflict}} = 4.07$) perceived the means as less useful to increase job performance than participants in the low goal conflict condition ($M_{\text{low-conflict}} = 4.59$). There was no interaction between goal conflict and novelty ($F < 1$), indicating that both effects influenced the perceived instrumentality of the means for job performance independently from each other.

**Mediation analysis.** In order to test the hypothesis that novelty and goal conflict influence inspiration by altering the instrumentality of the means (H4), a mediation analysis was performed. Inspiration was submitted to a 2 (novelty: high vs. low) x 2 (goal conflict: high vs. low) ANCOVA with the instrumentalities of the means towards the goals of (1) an active lifestyle and (2) job performance as covariates (Baron and Kenny 1986; Zhao, Lynch Jr., and Chen 2010). The results showed that inclusion of the covariates significantly improved the fit of the estimated model ($F(2, 395) = 159.09, p < .001$). The analysis revealed significant effects of the perceived instrumentality of the means for an active lifestyle ($F(1, 395) = 64.40, p < .001$) and for job performance ($F(1, 395) = 38.48, p < .001$) on inspiration. In line with H4a, inclusion of the covariates reduced the mean squares associated with goal conflict by 94% and, as a result, no significant direct effect of goal conflict on inspiration in addition to the effects through the instrumentalities of the means remained ($F < 1$). A significant direct main effect of novelty on inspiration remained even when including the covariates ($F(1, 395) = 12.98, p < .001$). However, the effect size was substantially lower (Cohen’s $d = .36$ vs. .67) and the mean squares associated with novelty were reduced from 109.50 to 17.76 by 84%. A large proportion of the effect of novelty therefore seems to be mediated by the instrumentalities of the means, in support of H4b (see Pham and Muthukrishnan 2002). The interaction between novelty and goal conflict remained insignificant ($F(1, 395) = 1.38, p = .24$). In sum, these results support a mediating role of the goal-means instrumentalities in line with H4.
4.3 Discussion

In this study, the goal systems of participants were first actively manipulated by priming two goals as either conflicting or synergetic to each other. Participants were then exposed to a high or low level of new means. Replicating the findings of study 1, the results show that novelty of means has a positive effect on inspiration. Furthermore, goal conflict has a negative effect on inspiration that is independent of novelty in line with our theorization. Finally, the results indicate that the effects of novelty and goal conflict on inspiration are largely mediated by the perceived instrumentalities of the means for the two focal goals. However, a significant direct effect of novelty on inspiration remained even after accounting for the goal-means instrumentalities. This direct effect might hint at the existence of an additional mechanism through which novelty leads to inspiration (Zhao, Lynch Jr., and Chen 2010). In sum, the results provide further evidence that inspiration can result from the addition of new goal-means associations and that the strength of these associations determines the level of inspiration. In order to fully understand the psychological process of inspiration it is, therefore, useful to draw on goal systems theory as a framework. The following study further explores the applicability and predictive quality of goal systems theory for inspiration by investigating the interplay of participants’ mindsets with the addition of new goals and means.

5 Study 3: Inspiration and Mindsets

Study 3 tests how the effects of new goals and new means on inspiration depend on participants’ mindsets. Gollwitzer’s (1990) mindset theory of action phase model posits that humans move from a phase of more abstract deliberation about goals to more concrete thinking about means of implementation within their decisions process. Likewise, construal level theory (Trope and Liberman 2003) suggests that individuals tend to construe an action as more abstract when they are further away and as more concrete when they are closer to it in space, in time, or socially. Finally, in a consumption context, shopping goal theory (Lee and Ariely 2006) implies that consumers move from more abstract thinking to more concrete thinking throughout their shopping trip. Because goal systems are hierarchical in the sense that overall goals are more abstract than sub-goals and means (Kruglanski et al. 2002), consumers tend to move from higher hierarchies to lower hierarchies in the goal system throughout their decision making.
The hierarchical characteristic of goal systems has important implication for the reaction towards new means and goals. Bayuk et al. (2010) found evidence that participants did not act on new, unexpected opportunities (means), when they had already formed implementation intentions (i.e., they were in a concrete mindset). Therefore, it seems that a concrete mindset might hinder the adoption of new means. As the adoption of new means is an important antecedent of inspiration (see studies 1 and 2), a concrete mindset might also hinder inspiration through new means, such that:

H5: Participants in a concrete mindset will feel less inspired by new means than participants in an abstract mindset.

In contrast, the effectiveness of adding new goals to customers’ goal systems depends less on their mindsets. In an abstract mindset, participants are generally open to new information (Gollwitzer 1990). In a concrete mindset, goals may still be adopted by customers, given that the new goals are seen as facilitative to existing goals. Although customers may have decided on an existing goal and moved to a focus on means of implementation, the addition of new goals that are in line the existing goal may be seen as fostering goal pursuit, as it increases the value of the means (van Osselaer and Janiszewski 2012). In line with the proposed mechanism for inspiration, the formation of new goal-means associations may therefore lead to higher levels of inspiration in participants. Thus, it is expected that:

H6: Participants in a concrete mindset and in an abstract mindset will feel equally inspired by new goals.

In sum, we therefore predict an interaction between mindsets (abstract vs. concrete) and content (goals vs. means). To test these hypotheses, this study manipulates participants’ mindsets as well as the content of the new information (goals vs. means).

5.1 Method

Participants. Three hundred U.S. respondents completed a short online experiment for a payment of $0.50 each. An online gateway was used to ensure that none of the participants in this study had participated in any similar studies before. As this study relies on the exposure to a priming task, attention by the participants on this task is essential. Therefore, fifteen participants whose log-response times were more than two standard deviations above or below the average were excluded for a final sample of

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7 Under certain circumstances, goals can inhibit the activation of other goals, but this effect of goal shielding is theorized as a self-regulation mechanism in the presence of conflicting goals that is not expected for facilitating goals (Shah, Friedman, and Kruglanski 2002).
285 participants. The median age of participants was 29 and 41% of them were female. Participants were randomly assigned to one of four conditions of a 2 (mindset: abstract vs. concrete) x 2 (content: goals vs. means) between-subjects design.

**Mindset manipulation.** A priming task was used to manipulate participants’ mindsets (Freitas, Gollwitzer, and Trope 2004; Fujita et al. 2006). This manipulation uses either a series of “Why?” questions to prime an abstract mindset or a series of “How?” questions to prime a concrete mindset. Participants in the abstract mindset condition were asked to think about the question “Why do you maintain good physical health?” The answers to this question then provide the input for the next “Why?” question. For example, if a participant answered the first question with “I want to live longer”, she would then be asked as to why she wants to live longer. Freitas et al. (2004) and Fujita et al. (2006) use a diagram of vertically aligned boxes to repeat this iterative question process for a total of four answers. Because our study was conducted online, it allowed us to use a dynamic survey tool. Each participant only saw the initial question at first and provided an answer in a text box. On the next survey page, this answer was printed on the top of the page followed by the question: “Why is the above reason important to you?” Again, the answer to this question provided the input for the next question. This process was repeated for a total of four answers. Those participants who were assigned to the concrete mindset condition were asked to think about the question “How do you maintain good physical health?” As with the abstract mindset condition, the answer to this question was recorded and provided again on the next survey page. For example, a participant might answer the initial question “I try to walk as much as possible.” On the next page the follow-up question then asked “How do you engage in the above activity?” As in the abstract mindset condition, this iterative questioning was repeated for a total of four answers.

**Procedure.** At the beginning of the study, participants answered the same exercise-related questions as in study 1 (i.e., exercise frequency, level of activity, importance of exercising, commitment to exercising, knowledge about exercising, and variety of their training) as part of the cover story for the experiment. Participants then completed the mindset manipulation described above. After the mindset priming task, participants in the means condition were exposed to five means. We used the same stimuli as in study 1, but the number of means did not vary to manipulate novelty. Instead, a subset of five means was chosen to induce a medium level of novelty (see appendix A). Likewise, participants in the goals condition were exposed to five goals that were chosen from the stimuli used in study 1. All participants then indicated their level of inspiration.
Measures. In line with previous studies, inspiration served as the main dependent variable and was measured by adapting the four-item state version of the inspiration scale (Thrash, Elliot, et al. 2010). Items were rated from “Strongly disagree (1)” to “Strongly agree (7)” and responses were averaged to create an inspiration index. Cronbach’s α was .97 in the present study.

5.2 Results

Inspiration was submitted to a 2 (mindset: abstract vs. concrete) x 2 (content: goals vs. means) ANOVA, which revealed the predicted interaction between mindset and content ($F(1, 281) = 3.49, p = .06$). The analysis also revealed main effects of mindset ($F(1, 281) = 4.88, p < .05$) and content ($F(1, 281) = 11.28, p < .001$) on inspiration. As depicted in figure C-4, planned contrasts showed that participants who were exposed to new means felt more inspired in the abstract mindset condition ($M_{\text{means-abstract}} = 4.92$) than in the concrete mindset condition ($M_{\text{means-concrete}} = 4.22, F(1, 281) = 8.29, p < .01$). In contrast, when participants were exposed to new goals, there was no significant effect of mindsets on perceived inspiration ($M_{\text{goals-abstract}} = 5.18$ vs. $M_{\text{goals-concrete}} = 5.12, F < 1$). Furthermore, participants who were primed with a concrete mindset felt significantly more inspired by new goals than by new means ($F(1, 281) = 12.98, p < .001$). In contrast, for participants who were primed with an abstract mindset, the difference in inspiration between the goals condition and the means condition was not significant ($F(1, 281) = 1.17, p = .28$).
5.3 Discussion

Participants in this study were either primed with an abstract mindset or a concrete mindset. Participants in a concrete mindset felt less inspired by new means than participants in an abstract mindset. In contrast, participants in a concrete mindset felt just as inspired by new goals as participants in an abstract mindset. These findings imply that consumers might be less open to inspiration through new means as they move from an abstract mindset to a more concrete mindset in their decision making process and specifically within their shopping process. On the other hand, consumers seem to remain open to inspiration through new goals in both an abstract and in a concrete mindset. In conclusion, this study provides further evidence that new goals and means have different effects on inspiration in a way that is consistent with a goal-systemic perspective on inspiration.

6 General Discussion

The current work proposed that inspiration can results from the addition of new goal-means associations to individuals’ goal systems and depends on the strength of these newly formed associations. Three studies in the context of physical exercising, find consistent evidence for the proposed psychological mechanism. Study 1 showed
that the addition of new goals and new means to existing goal systems can lead to inspiration. However, the effects depended on participants’ pre-existing goal systems. Specifically, a higher number of new means increased inspiration for experts but not for non-experts. In contrast, when participants were exposed to new goals, the number of goals increased inspiration for non-experts but not for experts. Study 2 replicated the effect of novelty of the means and additionally revealed an independent negative effect of goal conflict on inspiration. Moreover, the results of study 2 also suggest that the effects of novelty and goal conflict on inspiration are largely mediated by the perceived new goal-means instrumentalities. Finally, study 3 demonstrated that the effects of goals and means on inspiration vary with participants’ mindsets as predicted by goal systems theory. Specifically, participants who were primed with a concrete mindset were less inspired by new means than participants who were primed with an abstract mindset, but the priming of mindsets did not affect participants’ inspiration through new goals. In conclusion, these findings suggest that inspiration results from changes in individuals’ goal systems and is proportional to the strength of these changes.

6.1 Theoretical Contributions

The theoretical contributions of this research project are threefold. First, it integrates prior conceptualizations of inspiration with goal systems theory in order to advance the understanding of the psychological foundation of inspiration. It is proposed that inspiration can result from structural changes in individuals’ goal systems. Specifically, the realization of new ideas and insights can lead to the formation of new goal-means associations which may result in a state of inspiration. Thus, a framework is provided which theoretically explains the psychological process that leads to inspiration.

Second, this research provides evidence that inspiration can result from the addition of new goals as well as new means. Prior research repeatedly stated that transcendence through the realization of a new idea or insight is a defining characteristic of inspiration and listed various sources of new ideas (Hart 1998; Thrash and Elliot 2003, 2004). However, the type of idea has received little attention. The empirical results from our experiments reveal that inspiration can result from two types of new information: new goals and new means to achieve goals. Thus, we provide two different ways to inspire consumers that differ in effectiveness depending on the context.
Finally, the results demonstrate that the effectiveness of inspiration through new goals and new means depends on pre-existing goal systems as well as customers mindsets in a way that is consistent with prior literature on goal systems. Using a goal-systemic perspective, we were able to derive hypotheses and accurately predict effects on inspiration. Therefore, a goal-systemic perspective on inspiration provides a useful framework for future research.

6.2 Practical Implications

In addition to its theoretical contributions, this research also offers practical implications for marketing managers, consumers, and public policy makers. As mentioned in the introduction, the concept of inspiration is already featured prominently in many marketing campaigns and in everyday consumer language. Furthermore, inspiration might create a strong motivation for consumers to purchase products and services and, thus, lead to increased customer spending (Rudolph, Böttger, and Amgwerd 2013). This research provides a conceptual framework that can be used to analyze the effects of past marketing campaigns as well as predict the effects of future efforts on inspiration.

Our findings suggest that there are two ways to inspire consumers in line with prior speculations (Rudolph, Böttger, and Pfrang 2012). First, consumers might get inspired by new means to achieve a given goal. For example, innovative products can present new and better ways to achieve existing goals and, thus, inspire customers. Second, consumers can also get inspired by realizing that given means serve a new goal that they did not associate with the means before. For example, marketing managers may be able to boost sales of a given product by communicating the value-added in terms of the different goals this product serves. The goal-systemic perspective predicts that inspiration will in both cases increase with the number and strength of the new goal-means associations. Therefore, an innovative product that serves many existing goals will likely lead to higher levels of inspiration than one that only serves one goal. For value-added communication, inspiration increases likewise with the number of goals that are communicated and the level to which the existing product is perceived to be useful to achieve these goals.

While inspiration through new goals and inspiration through new means are conceptually related, they differ in their effectiveness depending on the specific context. For example, our findings imply that non-experts may respond less strongly to inspiration through new means. Therefore, marketing managers might find it harder to
inspire non-experts with innovative products than experts. On the other hand, experts may feel less inspired by value-added communication than non-experts, because they already possess a more extensive knowledge of relevant goals in this area. Moreover, our results suggest that consumers are less open to inspiration through new means when they are in a concrete mindset. In other words, new means (e.g., innovative products, personalized recommendations) may have little impact on inspiration when consumers are already in an advanced stage of their decision process. Therefore, marketing managers should present innovative products towards the beginning of the decision journey, when consumers are still in a more abstract mindset. In contrast, there seems to be no effect of consumers’ mindset on inspiration through new goals, implying that value-added communication might lead to inspiration throughout all stages of the decision journey. In sum, these examples illustrate that this research can provide management with a systematic way to think about customer inspiration.

Finally, this research also potentially benefits consumers, as inspiration can help them to discover novel means and goals to better fulfill their needs and to make better-informed decisions. For example, consumers may be inspired with the goal to live a healthy lifestyle which could benefit retailers’ sales of healthy food items, while at the same time improving the living quality of consumers. Likewise, retailers could present recipes for healthy dishes to customers in order to introduce new, healthy products to them. These recipes and new products would extend consumers’ set of healthy eating options, thus making it easier to pursue this goal and more likely that for them to stick with their goal, while at the same time boosting retailers’ sales.

6.3 Directions for Future Research

Through the adoption of a goal-systemic perspective on inspiration, future research could extend our findings in multiple ways. First, further research is needed on the role of inspiration in self-regulation. The results from study 2 suggest that goal conflict has a negative effect on inspiration. In very extreme cases, the realization of a new goal that is in strong conflict with one’s current goal might even lead to lower positive affect or induce negative affect. For example, inspiration for luxury products may sometimes conflict with a money-saving goal and lead to feeling of sadness, discontent, or regret.

Second, goal system theory could be employed to analyze the process of inspiration in the presence of habits. Habits play a major role in consumer behavior (Dijksterhuis et al. 2005; Wood and Neal 2009) and can be conceptualized as links between goals
and means that have become exceptionally strong due to their frequent co-activation (Aarts and Dijksterhuis 2000). Therefore, it seems reasonable that the presence of habits might also impact consumers’ openness to inspiration. More interestingly, goal system theory may also provide avenues to inspire individuals in the presence of prior habits and lead to behavioral changes.

Third, consumers may not always be consciously aware of their goals. Goal systems theory has previously been applied to explain situations where a conscious focal goal (e.g., the choice of an appropriate means) is accompanied by a subconscious background goal such as the need for closure because of time pressure (Kruglanski et al. 2002). Little is known so far about the effects of such background goals on the process of inspiration. In this sense, we merely provide a first contribution in what will hopefully be a series of future research on inspiration.
References


Appendix A: Stimuli for new goals and means

Participants were exposed to some or all of the following ten goals (adapted from Whitson 2013). Numbers in parentheses indicate the studies in which each goal appeared.

1. **You'll Improve Your Memory** (1)
   
   Ever feel like you think a bit more clearly after a good workout? Not only is your brain getting more energy and oxygen, but many studies have shown that exercise can boost your memory and help you learn better. Of course, an intense workout right before a big exam could leave you more tired than smart—but the two are still undoubtedly linked.

2. **You'll Have Better Posture** (1, 3)
   
   Good posture is important, and one of the best ways to fix your posture is to exercise the muscles holding you back. Check out some of the most common posture problems people have, and which muscles you should work out to help fix them. Regularly exercising your abs, back, and other muscles can go a long way into fixing your posture, both sitting and standing.

3. **You'll Boost Your Confidence** (1)
   
   Obviously, exercise can improve your appearance which can improve confidence, but there's more to it than that. Exercise can also help you feel more accomplished and social (if you work out at a gym). Even if you don't see immediate results in your body, that effort will make you feel better—and a bit of confidence can go a long way.

4. **You'll De-Stress** (1, 3)
   
   We all have stress in our lives, whether it's the occasional rough day or a more serious, chronic problem. Stress can really wreak havoc with your mind, but studies have shown that exercise is a great way to combat it. Not only are those endorphins natural stress-fighters, but getting yourself into that exercise groove helps get your mind off the things stressing you out.

5. **You'll Sleep Better** (1)
   
   If you ever have trouble falling asleep at night, the National Sleep Foundation says at regular exercise can help you sleep better. The best time to work out is in the morning or the afternoon, rather than before bed—if you exercise too closely to bedtime, it can actually have the opposite effect! Luckily, there are other good ways to fill up that pre-bed relaxation time.
6. You'll Have More Energy (1, 3)
   It may seem counter-intuitive—after all, working out can drain your energy quite a bit—but regular exercise can actually make you feel more energized throughout the day. In fact, one study found that exercising in the middle of the day can leave you feeling more energetic and productive for the rest of the afternoon. You should still try to get in some walking throughout the day, but a midday workout could be a great pick-me-up.

7. You'll Have Better Sex (1, 3)
   Do we have your attention yet? Yes, studies have indeed shown that regular exercise can increase arousal and decrease men's risk for erectile dysfunction, likely because exercise improves circulation (which is pretty important when it comes to sex).

8. You'll Get Sick Less Often (1, 3)
   Nobody likes getting sick, and exercise can help. A recent study found that people who exercised regularly were half as likely to get a cold than people who didn't—which is odds I'd gladly take. Taking a good steam afterward can help, too.

9. You'll Live Longer (1)
   It's no secret that healthy living will keep you alive longer, but you might be surprised at how much. One study found that exercise improves life expectancy as much as quitting smoking. It really is true that sitting all day is killing you—and just a bit of regular exercise can stave off the reaper for awhile.

10. You'll Just Be Happier (1)
    It's not just those "runner's high" endorphins—regular exercise can actually improve your life in oh-so-many ways. All you need to do is make it a habit—the University of Bristol found that people's mood significantly improved on days they exercised, so find a way to fit a quick workout into your daily routine and you'll be well on your way.
Participants were exposed to some or all of the ten following means (adapted from Kamb 2013). Numbers in parentheses indicate the studies in which each means appeared.

1. **Geocaching** (1, 2, 3)
   It’s an adventurer’s dream brought to life. You hunt for and have to find hidden objects only by means of GPS coordinates which are shared by players online. Become a real life treasure-hunter (Lara Croft? Nathan Drake? You decide!), and get a great workout in while you’re at it.

2. **LARPING** (1, 2)
   Live Action Role Playing. Might seem silly to those on the outside, but to those playing, it’s an amazing adventure that reminds us how awesome our imaginations are. Also, depending on the game, you could be wearing a heavy costume, swinging heavy weaponry, and running for your life!

3. **Rock Climbing** (1, 2, 3)
   It’s one of the best arm/back/forearm workouts in existence, you get to feel like a badass when you reach the top of the wall, and all climbing routes are graded so you can level up the challenge as you get stronger/fitter/better. It’s a fit nerd’s dream!

4. **Martial Arts** (1, 2)
   Be honest. You watched *The Matrix*, you heard Neo go “I know Kung Fu” and you wanted to be able to one day say the same thing. Whether it’s Kung Fu, Muay Thai, Tae Kwon Do, Karate or Capoeira, there’s a martial art out there that will make you feel like a badass.

5. **Build a standing desk** (1, 2, 3)
   Although we all know that correlation does not prove causation, it’s no surprise that there’s a strong correlation between sitting all day and an early grave. Why not fix your posture, strengthen your legs, and spend the day being more productive with a standing desk?

6. **Clean** (1, 2)
   Ugh, nobody likes to clean the house/apartment, but did you know that sweeping/mopping burns about 240 calories per hour? See how much you can accomplish with a single song blasting at max volume. Focus on the dirtiest areas of the floor first, then move to the cleaner portions for a great upper and lower body workout.
7. **You know...** (1, 2)
   That thing that couples do? Yeah. Turns out, it also burns a tremendous amount of calories. So get in bed with a partner, and commit to being intense. See how many different moves you can show the person you love!

8. **Parkour** (1, 2)
   In this fast-paced sport, practitioners called “traceurs” move rapidly through urban environments and negotiate obstacles by running, jumping, and climbing. No matter how old you are, there’s no reason you can’t get started with rolling around and vaulting over picnic tables and bike racks.

9. **Play video games** (1, 2, 3)
   Wii Tennis, Wii Fit, Just Dance on Xbox Kinect, and DDR (Dance Dance Revolution) count too. An hour of that is exhausting. Playing a normal game like Grand Theft Auto V? Make a rule that you can only play while standing up. This way you keep yourself from spending twelve hours on the couch in marathon gaming sessions!

10. **Play a musical instrument** (1, 2, 3)
   Did you know playing the violin for an hour burns about as many calories as walking around a track at a moderate pace for an hour? It turns out, our brains can burn boatloads of calories too. So challenge your brain!
Appendix B: Manipulation of goal conflict

In order to prime a high goal conflict between staying active and job performance, the following essay was presented. Differences to the low goal conflict manipulation are highlighted by underlining:

**Staying Active vs. Job Performance**

An active lifestyle has many benefits, such as improving your immune system and leading to generally better overall health. However, an active lifestyle might also conflict with your job performance. This is most obvious if your job requires you to do some sort of physical labor. For example, one respondent explained in an interview:

"My job involves climbing onto aircraft to fuel them. Leg day at the gym makes that extremely difficult. I am not able to do it as quickly and have less endurance while I am working."

Physical activity may also harm your job performance if you have an office job, because it might make you feel tired and less alert. Another respondent described her experience with yoga as follows:

“I do yoga every day, but during a difficult period, I once took two classes in one day. The next day I was so physically exhausted that I could not complete my work as quickly as I normally do. I felt awful and sluggish, and I know that I slacked off at work that day. It was absolute hell!”

Due to increasing demands on employees’ day-to-day productivity, this tension between an active lifestyles and job performance is gaining importance. Finally, for some respondents it is all about their free time:

“I started running three miles every morning, three times a week before I go to work. I began to notice I had less energy at work and felt sleepy in the afternoon. I felt exhausted after work and that kept me from pursuing other things in my free time.”

In sum, an active lifestyle and professional success can be seen as two important life goals that are often competing with each other. Ultimately, how active you may want to be remains a personal decision and depends on your own priorities.
In order to prime a low goal conflict between staying active and job performance, the following essay was presented. Differences to the high goal conflict manipulation are highlighted by underlining:

**Staying Active for Job Performance**

An active lifestyle has many benefits, such as improving your immune system and leading to generally better overall health. Moreover, an active lifestyle might also improve your job performance. This is most obvious if your job requires you to do some sort of physical labor. For example, one respondent explained in an interview:

"My job involves climbing onto aircraft to fuel them. Being physically active makes it much easier. I am able to do it quickly and have more endurance while I am working."

Physical activity may also increase your job performance if you have an office job, because it might make you feel alert and less tired. Another respondent described her experience with yoga as follows:

"I do yoga every day, but during a difficult period I once took two classes in one day. The next day I was so physically energized that I could complete my work much faster than I normally do. I felt great and motivated, and I know that I performed well at work that day. It was absolutely amazing!"

Due to increasing demands on employees’ day-to-day productivity, this synergy between an active lifestyles and job performance is gaining importance. Finally, for some respondents, it is all about their free time:

"I started running three miles every morning, three times a week before I go to work. I began to notice I had more energy at work and felt less sleepy in the afternoon. I didn’t feel as exhausted after work and that enabled me to pursue other things in my free time."

In sum, an active lifestyle and professional success can be seen as two important life goals that are often complementing each other. Ultimately, how active you may want to be remains a personal decision and depends on your own priorities.
D  Paper 3: Individualized Lifestyle Marketing: A Field-Experiment

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Abstract
We conceptualize and introduce a new form of one-to-one marketing using lifestyle content. Three consecutive field studies in the context of furniture retailing explore this new type of individualization. Our results suggest that (1) a link between products and lifestyle segments exists, (2) this link enables marketers to infer customers’ lifestyle segments by analyzing their purchase behavior using machine learning algorithms, and (3) that companies can benefit financially from tailoring ads with lifestyle content to customers’ individual lifestyles. Specifically, we find that individualized lifestyle marketing not only increases click rates but might also lead to higher purchase probabilities, larger number of products bought, and increased customer spending. Furthermore, we explore the effect of different individualization methods using either customers’ self-stated preferences or preferences inferred from loyalty card data using a machine learning algorithm. We compare individualized lifestyle marketing to individualized product recommendations and discuss implications for marketing theory and managerial practice.

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1 Introduction

What do the products one consumes reveal about one’s lifestyle? Consider two customers of the same age, gender, and income level who differ in their values in life and lifestyle activities. While one highly values freedom and creativity, the other one might value tradition and security of loved ones. While one likes to read books and listen to classical music, the other one might enjoy hiking and socializing. Prior research on lifestyle segmentation suggests that these factors also influence the products that customers buy and consume (Holt 1997; Levy 1963). Can marketers today reversely infer customers’ lifestyles from their demographic profile and purchase history and use it to inspire customers?

In this research, we conceptualize a new form of one-to-one marketing named individualized lifestyle marketing, which combines techniques of traditional lifestyle segmentation with new technologies used in one-to-one marketing. Using three field studies in collaboration with a large furniture retailer, we explore the impact of different approaches of individualized lifestyle marketing on consumer behavior. We use individualized email newsletters as a context due to their widespread use in marketing practice and the ability to control and measure the exposure.

The aim of this research is threefold. First, we want to investigate whether product style preferences link back to lifestyles segments. Second, we intend to examine whether this link can be used to infer customers’ lifestyles from loyalty card data. Finally, we aim at comparing the effects of individual lifestyle marketing on consumer behavior with individualized product recommendations, and further differentiate the results for customization and personalization approaches. Our focus extends beyond mere initial responses like click rates and includes effects of individualized lifestyle marketing on actual purchase behavior. Therefore, we measure customers’ purchase probability, the number of products bought, and customer spending.

The remainder of this paper is organized as follows. First, we provide a review of prior literature on lifestyle segmentation as well as one-to-one marketing and conceptualize individualized lifestyle marketing as a new form of one-to-one marketing. Then, study 1 analyzes the link between furniture style segments and customers’ values in life, lifestyle activities, and demographics. Study 2 investigates the possibility to infer customers’ lifestyle segments from their loyalty card data. Finally, study 3 analyzes the effects of individualized lifestyle marketing on customers’ click rates and purchase behavior. The theoretical contributions, managerial implications, limitations, and directions for future research are discussed.
2 Conceptual Background

2.1 Lifestyle segmentation

Lifestyles are social consumption patterns which are based on consumers’ personality traits, such as their values, traits, and dispositions (Holt 1997). Lifestyle segmentation has been a popular tool in marketing practice since its conception in the early 1970s, driven partly by the availability of data sources such as scanner and consumer panel data (Alpert and Gatty 1969). In its most basic form, lifestyle segmentation uses a typology which is based on consumers’ lifestyle patterns, such as activities, interests, opinions (Mitchell 1984; Plummer 1974; Wells and Tigert 1971), and products that consumers buy and use (Alpert and Gatty 1969; Holt 1997; Levy 1963). Plummer (1974) lists several potential advantages of lifestyle segmentation for companies including a better definition of the target market, a more distinct positioning, benefits for marketing communication, awareness for new product opportunities, sounder overall marketing strategies, and a more holistic view of the reasons why consumers buy individual products. Finally, the emphasis on consumers’ lifestyles has also led to the emergence of lifestyle brands such as Ralph Lauren, Abercrombie & Fitch, and Martha Stewart, which cater to the need for self-expression of certain lifestyle segments (Chernev, Hamilton, and Gal 2011).

In order to assess lifestyle segments, Mitchell (1984) developed the Value and Life Style (VALS) methodology which is grounded in Maslow’s (1954) hierarchy of needs and uses a survey of 32 questions regarding various activities, interests, and opinions. The nine lifestyle segments derived from these questions describe different types of US consumers. Although some scholars criticized the lack of a more profound theoretical basis (Kahle, Beatty, and Homer 1986), the methodology was quickly and widely adopted in managerial practice. In an effort to link lifestyle typologies with more general research on personality traits, several scholars proposed the use of universal values to assess customers’ values (Kahle, Beatty, and Homer 1986; Kahle and Kennedy 1988; Kamakura and Novak 1992; Novak and MacEvoy 1990). These include the widely popular Rokeach Value Survey (Rokeach 1973) and the List of Values (Kahle 1983). More recently, Schwartz and colleagues (Schwartz 1992; Schwartz and Bilsky 1987; Schwartz and Boehnke 2004) proposed and validated the use of a value system in which some values are compatible, whereas others compete with each other. Schwartz (1992) originally developed a scale to measure 10 basic motivational value dimensions (e.g., hedonism, tradition, power, and security).
Through a series of studies, Schwartz (1992) presents evidence for the near-universal nature of these value dimensions and the quasi-circumplex structure.

Lifestyle segments are important and widely used typologies for marketing research and practice. However, they have mainly been used for marketing strategy and planning (Brengman et al. 2005; Englis and Solomon 1995, 2000; Nie and Zepeda 2011). In this research, we explore the possibility to link lifestyle segmentation with one-to-one marketing in order to address individual customers according to their individual lifestyle segments.

2.2 One-to-one marketing

Driven by technological changes in the last decades, namely the widespread use of the internet and an immense increase in computing power, many marketers have shifted from a focus on a few target segments to individualized (one-to-one) marketing. In contrast to previous segmentation approaches, firms increasingly attempt to address the entire market by tailoring their marketing mix to individual needs and preferences. As such, one-to-one marketing can be understood as an extreme form of segmentation as opposed to mass marketing (Arora et al. 2008). Although one-to-one marketing can include the entire marketing mix, the most popular areas remain the adaptation of product design, communication, and pricing to individual customers.

Customization and personalization. Individualized marketing includes both customization and personalization. Whereas customization relies on customers to provide information about their own preferences, personalization uses artificial intelligence to infer preferences from secondary data (Nunes and Kambil 2001). Thus, in the case of customization, the customer proactively specifies elements of the marketing mix, while in the case of personalization the firm decides what marketing mix is suitable for the individual based on previously collected data (Arora et al. 2008). For example, imagine a travel agency that wants to create individualized offers to customers. The travel site Jauntaroo asks their customers directly about their preferences regarding activities, geography, weather, price, and vibe, thus using customization to match the best offering to their needs (Jauntaroo 2015). In contrast, the travel site SmarterTravel personalizes their offering to each visitor in the first milliseconds of their visit based on click speeds, time of day, number of previous visits, and location without ever asking them directly (The Economist 2015). Although Nunes and Kambil (2001) suggest that customers may prefer customization over personalization in many categories, such as groceries, news, financial, and sports, the
widespread presence of both approaches in practice suggests the need for a more differentiated theory.

Consequences of one-to-one marketing. Even before the ubiquitous use of the internet, Mittal and Lassar (1996) pointed out the importance of perceived personalization as an antecedent to customer satisfaction and patronage behavior, especially for service firms. More recent studies confirm that individualization can increase click rates (Ansari and Mela 2003), customer loyalty (Zhang, Agarwal, and Lucas, Jr. 2011), willingness to pay, purchase intention, and attitude towards the product (Franke, Keinz, and Steger 2009) and lowers consumers’ decision-making efforts (Tam and Ho 2006). Conversely, evidence suggests that individualization can also lead to undesirable effects. Various scholars investigated the role of trust in personalization. White et al. (2008) find that consumers show reactance to personalized e-mails when the fit between the offer in the message and consumers’ personal characteristics is not explicitly justified by marketers. Aguirre et al. (2015) present evidence that this reactance may be due to a sense of vulnerability and lack of trust that emerges when customer data is collected covertly. Finally, consumers also tend to adopt recommendations in a build-up customization strategy, but ignore recommendations when paring-down, because they trust the former recommendations more than the latter. (Coker and Nagpal 2013).

Success factors of one-to-one marketing. Several factors have been proposed to influence the effectiveness of individualization. Ansari and Mela (2003) propose a statistical model for the prediction and optimization of web-site traffic generated by personalized emails. Their model takes into account (1) link variables (i.e., content of the link and position in newsletter), (2) e-mail variables (i.e., number of links, text vs. html format), and (3) person variables (i.e., general activity level). Through optimization of these parameters, the click rates could be raised by 62%.

The expertise of consumers also plays an important role as many novice users may not know their own preferences and instead construct them in the moment (Arora et al. 2008). Franke, Keinz, and Steger (2009) suggest that benefit gains depend on consumers’ insight into their own preferences, their ability to express these preferences, and their product involvement. In line, Randall, Terwiesch, and Ulrich (2007) state that novices may be better served by more abstract, need-based interfaces than by concrete, parameter based interfaces. Kramer (2007) adds that novice consumers prefer more transparent customization tasks, because these enable them to better understand their own preferences.
Finally, the success of one-to-one marketing also depends on the type of message that is being individualized. For example, Moon (2002) finds that computer generated recommendations are more effective when the computer’s message style matches the participant’s personality type. In line with Randall, Terwiesch, and Ulrich (2007), Köhler, Breugelmans, and Dellaert (2011) contrast typical personalization on a concrete, feature-based level with personalization on a more abstract consumer needs level. They present evidence that the likelihood to accept a recommendation depends on the congruency between the level of abstractness and the temporal distance of the recommendation. For temporally distant decisions, consumers prefer more abstract recommendations, because they perceive the recommendation process as more transparent. However, little is known about the interaction of the message with the method of one-to-one marketing (i.e., customization or personalization).

2.3 Individualized Lifestyle Marketing

Conceptualization. We conceptualize individual lifestyle marketing as the intersection of lifestyle segmentation with one-to-one marketing. Traditional approaches of lifestyle marketing rely on a segmentation approach which identifies several lifestyle segments and selects few of them as targets for marketing activities. In contrast, one-to-one marketing introduces the possibility to address all potential customers with an individualized marketing mix. However, the individualized elements of the marketing mix are usually concrete attributes, such as price or individual products. We propose that firms should be able to personalize their marketing messages on a more abstract lifestyle level in the future. Considering price discrimination as an analogy, a business may traditionally have had the opportunity to identify target segments of more or less price sensitive customers. It could then choose to address these customers in each target segment for example through targeted promotions or couponing in order to maximize its profits. The advent of one-to-one marketing enabled businesses to not only price discriminate based on the target segment, but also on individual characteristics of the customer such as the purchase history. Of course, this does not imply that every customer must receive an exactly calculated individual price, but already allocating each customer in an appropriate price bracket can lead to substantial gains for the company. Individualized lifestyle marketing applies the same logic in the context of customers’ values and lifestyles. If it is possible to assign each individual customer to the best fitting lifestyle segment, then marketing messages can be adapted to better fit with the values of each customer.
**Approaches to individualized lifestyle marketing.** Similar to one-to-one marketing in general, individualized lifestyle marketing can use either customization or personalization to elicit the necessary information from customers. In the case of customization, potential customers are asked directly about their lifestyle. Imagine for example a customer signing up for a newsletter. In this moment, businesses often ask customers to indicate demographic information such as age or gender as well as their interests. Including one or multiple questions regarding the customer’s lifestyle would only be one possibility to implement customization. As we show in our experiment, simple choice mechanism can be used to facilitate this selection for customers. In the case of personalization, the firm assigns individual customers to lifestyle segments based on other information such as demographics and prior purchases. Prior research suggests that the consumption of objects and the way they are consumed express consumers’ lifestyles (Holt 1997; Levy 1963). Thus, there may be partial information about a consumer’s lifestyle in his or her purchase history. Through the use of machine learning algorithm, these patterns can be identified, updated, and applied to infer customers’ lifestyles from this data. In this research, we aim at investigating the effects of individual lifestyle marketing in the form of both, customization and personalization, on click rates and purchase behavior in the context of individualized email newsletters.

**Effects on click rates.** There is a considerable amount of research on the effects of one-to-one marketing on immediate customer responses such as click rates, attitudes, and intentions. Generally, scholars seem to agree that individualization offers benefits such as an increase in the number of clicks in individualized emails (e.g., Ansari and Mela 2003). Therefore, we expect that a fit of product recommendations to individual customers’ preferences increases the number of clicks in a newsletter. More importantly, we also propose that the same mechanism is true for lifestyle content. In line with prior research on lifestyle segmentation, we expect that a fit of lifestyle content to individual customer’s lifestyle increases the number of clicks in the newsletter. Thus, we hypothesize

**H1:** Individualization of content to customers’ preferences leads to higher click rates for (a) product recommendations and (b) lifestyle content.

Furthermore, we also expect differences between the methods of individualization (i.e., customization or personalization). In managerial practice, one of the shortcomings of customization is its reliance on the willingness of customers to
actively provide information about their preferences. However, prior research suggests that benefit gains from customization depend on the expertise of customers (Franke, Keinz, and Steger 2009; Randall, Terwiesch, and Ulrich 2007). As a result, customers who are willing to participate in a customization task may have better insight into their own preferences, better ability to express these preferences, and higher product involvement than the general population. In contrast, personalization has the advantage that it is applicable to a large part of the customer base without the need for direct customer input. More importantly, Franke, Schreier, and Kaiser (2010) find that participants who customized a product benefit from an “I designed it myself” effect that makes the individualized offering more desirable. Notably, this effect persists even when accounting for objective differences in preference fit. Thus, it seems that customers are influenced by the mere participation in the customization task even after controlling for possible self-selection. In sum, we therefore expect that

**H2:** Customization leads to higher click-through rates than personalization for (a) product recommendation and (b) lifestyle content.

**Effects on purchase behavior.** Prior research on the effects of one-to-one marketing on actual purchase behavior remains scarce. We propose two effects which may impact the effects of one-to-one marketing on customers’ purchase probability, the number of products bought, and, consequently, their spending. We term these the effects of specificity and novelty. The *specificity effect* is a result of lifestyle content being generally more abstract than product recommendations. From a goal-systemic perspective (Kruglanski et al. 2002), product recommendations address consumers on a concrete level by recommending specific products that serve their needs. In contrast, lifestyle content addresses customers’ values and needs which are more abstract. According to shopping goal theory (Lee and Ariely 2006) customers start out with rather abstract shopping goals and move to more specific ones throughout the shopping process. Thus, using lifestyle content in individualized marketing communication activates more abstract goals in customers’ minds. Throughout the shopping process, the customer then operationalizes these goals and finds specific products which act as means towards these goals. Since many products can be instrumental to the same goal, there is a potentially large number of products that the customer might consider and eventually buy. In contrast, product recommendations involve only a relatively small number of products and the tendency of consumers to move from abstract goals to specific products makes it unlikely that the activation of these specific products will
spread back to more abstract lifestyle concepts. Hence, consumers are unlikely to consider a broader range of products.

Therefore, we expect the number of new product ideas that customers receive from specific product recommendations to be smaller than the number of new product ideas that customers receive from individualized lifestyle content. As a result, we hypothesize:

**H3:** For individualized messages that fit to customers’ preferences, lifestyle content (vs. product recommendations) will lead to higher (a) purchase probability, (b) number of products bought, and (c) customer spending.

In contrast, the *novelty effect* relates to messages that do not fit consumers’ usual preferences. Lifestyle content that does not meet the customer’s own lifestyle bears the risk of either being ineffective or even offensive. If customers are confronted with a lifestyle that they oppose, they might choose to either ignore it or even create negative attitudes towards the sender. Therefore, they are less likely to make a purchase and will probably spend less. In contrast, specific product recommendations bear less risk of offending the customer. Customers might instead even gain new ideas from product recommendation that do not fit to their usual preferences, because they might discover novel products that were not within their consideration set and that they probably do not own yet. Due to this novelty effect, non-fitting product recommendations may inspire more product purchases than non-fitting lifestyle content. More formally, we hypothesize

**H4:** For messages that do not fit to customers’ preferences, product recommendations (vs. lifestyle content) will lead to higher (a) purchase probability, (b) number of products bought, and (c) customer spending.

In sum, we expect that adapting both lifestyle marketing and product recommendations to customers’ preferences leads to higher click-through rates, but that the effect of lifestyle content and product recommendations on purchase behavior depends on the quality of the fit to customers’ preferences. In cooperation with an international furniture retailer, we conducted three studies to test our hypotheses. As a condition for the use of the data, the sponsoring firm wishes to remain anonymous, and any identifying aspects are therefore disguised. Our field experiment can be structured in three interrelated studies. Study 1 uses participants of a national consumer panel to
establish the distribution of furniture-related lifestyle segments and their characteristics in the relevant target market. In study 2, we explore the possibility to infer the furniture style of actual customers from limited purchase data and demographics. Finally, in study 3, we manipulated the electronic newsletter for actual customers and analyzed their subsequent click and purchase behavior.

3 Study 1: Product Preferences and Lifestyles

The goal of this study was to establish the predominant lifestyle segments in the relevant target market and profile each segment in terms of demographics, values in life, and lifestyle activities. Products of the collaborating furniture retailer belong to nine different styles (e.g., modern, country, or classic) that were developed by the design department of the company and define each style by distinctive design attributes that are consistently applied within one style. Based on prior lifestyle segmentation literature (Holt 1997; Levy 1963) we expected that customers with different preferences for furniture products also differ in their underlying values in life and lifestyle activities.

3.1 Method

Participants. Six-hundred twenty-four respondents from a national online panel completed a survey in exchange for a small payment (about $2). In order to ensure that our sample is representative for the target market of the furniture retailer, we selected participants according to gender and age quotas. Furthermore, we eliminated the responses of 89 participants who were unable to identify with any of the furniture styles. Thus, the remaining sample size was 535 participants, of which 50.5% were female with a median age of 43 years.

Materials and procedure. Upon starting the survey, participants first chose the furniture style that most closely resembled their furniture style at home. For this purpose, we constructed digital collages for each of the nine furniture styles. Each collage was 415 x 415 pixels large (approximately 4.32 x 4.32 inches on an average flat panel display) and showed three rooms that displayed products from a specific furniture style. Specifically, each collage showed a bedroom, a living area and a dining area. The individual components within each collage were provided by the furniture retailer based on the expert opinion of the design and marketing departments regarding the representativeness for each furniture style. Due to the complexity of the stimuli and
in order not to overwhelm participants, participants saw only three of the nine collages at once and chose among these. Then the procedure was repeated twice with the remaining six collages. Each furniture style was only presented once to each participant and the order of appearance was randomized between subjects. Finally, in a fourth step, participants chose the best fitting furniture style from among the three collages they had pre-selected in the previous three steps.

Dependent measures. Participants filled out the Schwartz value survey (Schwartz 1992; Schwartz and Bilsky 1987; Schwartz and Boehnke 2004). For our measure, we used a slightly shortened scale consisting of 46 items that has been shown to exhibit good convergent and discriminant validity between value dimensions across 23 samples from 27 countries (Schwartz and Boehnke 2004). Furthermore, participants also indicated the frequency with which they engaged in several lifestyle activities. For this part, we sampled 54 activities from prior research on consumers’ lifestyle (Kahle, Beatty, and Homer 1986; Mitchell 1984; Novak and MacEvoy 1990). Specifically, we included statements related to vacation types, cultural activities, social activities, relaxation, hobbies, and sports. Finally, participants filled out a demographic survey including age, gender, number of kids, education level, and household income.

3.2 Results

Validity of choice mechanism. We assessed the fit of the final choice of furniture style by two means. First, we assessed participants’ preference for the selected furniture style with three statements (α = .78). On average, participants indicated a preference for the selected furniture style of 4.70 which was significantly above the scale midpoint of our 7-point likert scale (\(t(543) = 13.64, p < .001\)). Second, we asked participants to elicit spontaneous associations with their chosen furniture style as well as with one of the other eight furniture styles. The order of these two elicitation tasks was counter-balanced between subjects. Our results reveal that participants could name significantly more associations with their selected style (\(M = 3.53\)) than with a randomly chosen style (\(M = 2.89, t(534) = 9.25, p < .001\)). Together, these results support the validity of our choice mechanism in determining the preferred furniture style for participants.

---

8 These statements read: If I had to re-furnish my home, I would choose the furniture style above; If I could, I would choose a completely different furniture style for my home than the one above (reverse coded); I would like to furnish my home like pictured above in the future.
### Table D-1
Description of furniture style segments (FSS)

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Items</th>
<th>Alpha</th>
<th>F (df1, df2)</th>
<th>FSS 1</th>
<th>FSS 2</th>
<th>FSS 3</th>
<th>FSS 4</th>
<th>FSS 5</th>
<th>FSS 6</th>
<th>FSS 7</th>
<th>FSS 8</th>
<th>FSS 9</th>
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<tr>
<td>Age</td>
<td>1</td>
<td>NA</td>
<td>1.76 (8, 526)†</td>
<td>47.59</td>
<td>43.32</td>
<td>42.67</td>
<td>37.51</td>
<td>46.62</td>
<td>40.79</td>
<td>44.48</td>
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<tr>
<td>Gender (% female)</td>
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<td>0.77 (8, 526)</td>
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<td>0.52</td>
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<td>0.98</td>
<td>0.69</td>
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<td>2.64</td>
<td>2.79</td>
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<td>2.46</td>
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<td>5.33</td>
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<td>5.86</td>
<td>5.80</td>
<td>6.03</td>
<td>5.81</td>
<td>5.80</td>
<td>5.79</td>
<td>5.96</td>
<td>5.93</td>
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<td>Tradition</td>
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<td>.70</td>
<td>2.03 (8, 525)</td>
<td>4.05</td>
<td>3.92</td>
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<td>Conformity</td>
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<td>.76</td>
<td>2.46 (8, 525)</td>
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<td>5.10</td>
<td>5.10</td>
<td>5.27</td>
<td>5.00</td>
<td>5.28</td>
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<td>4.81</td>
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<td>Security</td>
<td>5</td>
<td>.79</td>
<td>7.93 (8, 525)</td>
<td>5.03</td>
<td>4.84</td>
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<td>5.13</td>
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</tr>
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<td>Power</td>
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<td>.82</td>
<td>2.31 (8,525)†</td>
<td>2.04</td>
<td>2.09</td>
<td>2.71</td>
<td>2.48</td>
<td>2.85</td>
<td>2.68</td>
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<td>2.61 (8,525)†</td>
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<td>4.26</td>
<td>4.42</td>
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<td>4.65</td>
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<tr>
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<td>5.17</td>
<td>5.20</td>
<td>5.43</td>
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<td>3.88</td>
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<td>2.67 (8,525)†</td>
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<td>5.33</td>
<td>5.66</td>
<td>5.63</td>
<td>5.41</td>
<td>5.67</td>
<td>5.79</td>
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<td><strong>Lifestyle Activities</strong></td>
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<td>3.34</td>
<td>3.07</td>
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<td>3.15</td>
<td>3.36</td>
<td>3.32</td>
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<tr>
<td>Culture</td>
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<td>.76</td>
<td>1.94 (8, 526)</td>
<td>2.31</td>
<td>2.20</td>
<td>2.33</td>
<td>1.98</td>
<td>2.43</td>
<td>2.21</td>
<td>2.26</td>
<td>2.62</td>
<td>2.52</td>
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<tr>
<td>Crafts</td>
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<td>.72</td>
<td>1.32 (8, 526)</td>
<td>1.99</td>
<td>2.18</td>
<td>2.05</td>
<td>1.77</td>
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<td>2.08</td>
<td>2.03</td>
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<tr>
<td>Team Sports</td>
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<td>.73</td>
<td>0.46 (8, 526)†</td>
<td>1.83</td>
<td>1.91</td>
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<td>1.90</td>
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<tr>
<td>Family</td>
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<td>.68</td>
<td>3.42 (8, 526)†</td>
<td>3.30</td>
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<td>3.64</td>
<td>2.93</td>
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<td>3.15</td>
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<tr>
<td>Exercise</td>
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<td>1.04 (8, 526)</td>
<td>2.01</td>
<td>2.29</td>
<td>2.48</td>
<td>2.30</td>
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<td>2.43</td>
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<td>2.09</td>
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<tr>
<td>Reading</td>
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<td>.61</td>
<td>2.16 (8, 526)†</td>
<td>3.70</td>
<td>3.60</td>
<td>3.78</td>
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<td>2.25</td>
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<td>2.68</td>
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<td>Nature</td>
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<td>3.03</td>
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<td>1.26</td>
<td>1.30</td>
<td>1.39</td>
<td>1.24</td>
<td>1.28</td>
<td>1.59</td>
<td>1.22</td>
</tr>
<tr>
<td>Music</td>
<td>2</td>
<td>.46</td>
<td>1.21 (8, 526)†</td>
<td>2.31</td>
<td>2.47</td>
<td>2.58</td>
<td>2.40</td>
<td>2.51</td>
<td>2.82</td>
<td>2.40</td>
<td>2.81</td>
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**Segment Size**

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<tbody>
<tr>
<td>8.2%</td>
<td>10.5%</td>
<td>11.2%</td>
<td>6.5%</td>
<td>11.8%</td>
<td>11.8%</td>
<td>30.3%</td>
<td>5.2%</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

*Note: Numbers in bold are significantly (p < .01) above or below the average of the remaining segments.*
Demographics. The distribution of self-assigned furniture style segments revealed a rather fragmented market with most segment sizes ranging from 4.5 percent to 11.8 percent and one mainstream segment that accounted for 30.3 percent of the market. ANOVA revealed significant differences between the furniture style segments in terms of age ($F(8, 526) = 1.76, p = .08$) and education level ($F(8, 526) = 2.08, p < .05$). However, there were no significant differences between segments in terms of gender ($\chi^2(8) = 6.17, p = .63$), number of kids ($F(8, 526) = .95, p = .48$), and household income ($F(8, 526) = 1.01, p = .43$), indicating that demographics alone may not adequately describe these segments. The mean values for all descriptive variables are provided in table D-1.

Values. All value dimensions exhibited high internal validity with Cronbach’s alphas between .70 and .89 (see table D-1). We used ANCOVA to profile each furniture style segment along these value dimensions. In order to control for individual differences in using the response scale, the average of all value items was included as a covariate. We found significant differences between furniture style segments regarding values of universalism ($F(8, 525) = 2.13, p < .05$), tradition ($F(8, 525) = 2.03, p < .05$), conformity ($F(8, 525) = 2.46, p < .05$), security ($F(8, 525) = 7.93, p < .001$), power ($F(8, 525) = 2.31, p < .05$), achievement ($F(8, 525) = 2.61, p < .01$), hedonism ($F(8, 525) = 1.72, p = .09$), stimulation ($F(8, 525) = 2.43, p < .05$), and self-direction ($F(8, 525) = 2.67, p < .01$). As a follow-up analysis, we contrasted the value dimensions of each furniture style segment to the average of the eight remaining segments. As reported in table D-1, this analysis revealed several significant ($p < .10$) differences, which characterized each segment.

Lifestyle activities. In order to further characterize the furniture style segments, we analyzed how often each segment is engaged in different lifestyle activities. First, we aimed to extract the underlying dimensions of lifestyle activities based on our sample of 54 activities. We conducted an exploratory factor analyses of the 54 lifestyle activity items using principal component factoring and orthogonal rotation (varimax). The Kaiser-Meyer-Olkin measure verified the sampling adequacy for the analysis, $\text{KMO} = .83$. Furthermore, Bartlett’s test of sphericity $\chi^2(1431) = 10516.15, p < .001$, indicated that correlations between items were sufficiently large for our analysis. Based on a minimum eigenvalue of 1.00, this initial analysis extracted 14 factors that accounted for 59% of the total variance. Inspection of the rotated factor solution revealed 9 items that loaded only weakly on their main factor (<.40) or showed significant cross-loadings on other factors (> .40) and were, thus, eliminated from the analysis. A second exploratory factor analysis with the remaining 43 items (KMO =
.81, Bartlett’s $\chi^2(903) = 7791.38$, $p < .001$), extracted 12 factors that accounted for 60% of the total variance. All communalities ranged from .43 to .78 with no evidence of any substantial cross-loadings (> .40). The resulting 12 lifestyle dimensions were named socialize, culture, crafts, team sports, family, exercise, backpacking, reading, skiing, outdoors, luxury, and music. ANOVA revealed that the furniture style segments differed significantly in the frequency with which they engaged in cultural activities ($F(8, 526) = 1.94$, $p = .05$), family activities ($F(8, 526) = 3.42$, $p < .001$), backpacking ($F(8, 526) = 3.14$, $p < .01$), reading ($F(8, 526) = 2.16$, $p < .05$), and luxury activities ($F(8, 526) = 2.20$, $p < .05$). We then compared each segment against the average of the remaining eight segments for each of the lifestyle activity dimensions to characterize them as reported in table D-1.

3.3 Discussion

Using pre-defined furniture styles as our starting point, we were able to describe nine different lifestyle segments. Our results reveal that these furniture style segments differ significantly from each other in terms of demographics, values in life, and lifestyle activities. Our results are in line with the object signification stream in literature on lifestyle segmentation (c.f., Holt 1997) and support a link between customers’ general lifestyle and their product preferences.

4 Study 2: Potential of Machine Learning

While we were able to assign participants to one of nine distinct lifestyle segments, the design in study 1 relied heavily on the ability and willingness of participants to indicate their own preferences. In managerial practice, it is often difficult to obtain this data for a large part of the target market due to time and cost restraints. Therefore, we intended to explore the use of machine learning for individualized lifestyle marketing. Specifically, we aimed to investigate whether machine learning algorithms may be able to infer customers’ lifestyle segments from sparse product purchase data and demographics that are typically available to retailers in the form of loyalty card data. This would open the possibility to use not only customization, but also personalization as a method for individualized lifestyle marketing.
4.1 Method

Participants. In order to recruit participants for this study, we sent out an invitation to customers for participation in a general survey about lifestyles. The invitation was part of the regular bi-weekly email newsletter of the cooperating furniture retailer. All recipients were loyalty card holders and had previously agreed to be profiled for marketing purposes. Out of 3,493 customers who started the survey, 3,022 (87%) returned usable questionnaires. Most participants were female (86%) with a median age of 42 years.

Materials and procedure. We used the same choice mechanism as in study 1. Upon starting the survey, participants first assigned themselves to a lifestyle segment using nine collages and then answered a series of filler questions such as general satisfaction with the retailer. Finally, participants chose products that fit to their lifestyle from a set of random products as part of the cover story and were dismissed. We then extracted the loyalty card data for all 3,022 participants from the retailer’s customer relationship database. Specifically, we gathered participants’ age, gender, number of kids, geographical region, and preference for marketing activities as well as records of their transactions for the last two years. The extracted transaction history included the purchases of 1,173 different products by 179 customers for a total of 8,724 transactions. For each participant, we calculated the number of products bought within the last two years as well as their average price, and the number of times each product was bought. Using this data as input, we trained a Bayesian classification algorithm to sort participants into lifestyle segments. Specifically, this algorithm estimated the conditional odds of each participant belonging to each of the nine furniture styles, given his or her specific product purchase history and demographic profile. Each participant was then assigned the furniture style that had the highest individual probability. Our key dependent variable was customers’ self-assigned furniture style segment.

4.2 Results

In order to test the validity of our classification algorithm, we re-applied the trained algorithm to the training set and compared its prediction with participants’ actual, self-assigned furniture style segments. The resulting allocation matrix is presented in table D-2. Our algorithm significantly reproduced customers’ self-assigned segments ($\chi^2(64) = 5118.06, p < .001$). The overall accuracy of our algorithm was 51% and thus considerably higher than allocation by chance (11%) or if all participants had been
assigned to the mainstream segment (32%). Inspection of the total number of participants in each lifestyle segment revealed that our algorithm favored the mainstream segment ($N_{\text{Actual}} = 960$, $N_{\text{Prediction}} = 1019$), and generally discriminated against smaller segments. This might be due to the fact that, allocation to the mainstream segment optimizes the probability of a correct classification in the absence of any other information about the lifestyle segment (e.g., for participants with short transaction histories). Thus, the number of participants that is allocated to the mainstream segment is over-proportionally high, while the number of participants that is allocated to niche segments is over-proportionally low.

<table>
<thead>
<tr>
<th>Actual FSS</th>
<th>Furniture style segment (FSS) prediction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>121 3 13 3 28 31 55 5 9 267</td>
</tr>
<tr>
<td>2</td>
<td>2 92 15 1 30 40 54 4 5 243</td>
</tr>
<tr>
<td>3</td>
<td>13 13 182 6 35 71 90 4 1 415</td>
</tr>
<tr>
<td>4</td>
<td>3 8 8 73 21 32 36 3 4 188</td>
</tr>
<tr>
<td>5</td>
<td>3 3 19 3 162 65 64 3 9 331</td>
</tr>
<tr>
<td>6</td>
<td>1 4 9 4 21 112 36 3 0 190</td>
</tr>
<tr>
<td>7</td>
<td>12 12 45 14 111 140 593 18 15 960</td>
</tr>
<tr>
<td>8</td>
<td>4 1 6 2 16 23 41 77 1 171</td>
</tr>
<tr>
<td>9</td>
<td>7 2 11 8 23 35 50 5 116 257</td>
</tr>
<tr>
<td>Σ</td>
<td>166 138 308 114 447 549 1019 122 159 3022</td>
</tr>
</tbody>
</table>

Note: Bold numbers on the diagonal are correctly classified predictions.

4.3 Discussion

Our results provide evidence for the ability to infer customers’ product style segment for personalization from loyalty card data such as demographic information and individual transaction histories. Using a comparatively simple machine learning algorithm, we were able to significantly predict customers’ lifestyle segment while outperforming chance and a baseline model. Although the accuracy of the algorithm could be improved through the use of more sophisticated algorithms or additional data, our results suggest that it is generally possible to infer customers’ lifestyle segments without asking them directly. Therefore, both customization and personalization can be applied as different approaches to individualized lifestyle content.

5 Study 3: Effects on Consumer Behavior

Expanding upon the results of the previous studies, the aim of this study is to test the hypothesized effects of individualized lifestyle marketing on consumer behavior in a field setting. While study 1 provided evidence that relevant lifestyle segments exist
and study 2 suggests that these lifestyle segments can be inferred from sparse loyalty card data, little is known about the effects of individualized lifestyle marketing on click rates and purchase behavior. Therefore, we manipulated a newsletter of the collaborating retailer and measured customers’ click rates and purchase behavior. Our field experiment uses a 2 (individualization: fit vs. non-fit) x 2 (method: customization vs. personalization) x 2 (content: lifestyle content vs. product recommendations) between-subjects design. First, we manipulate the fit of the message to individual customers’ preferences. Messages with a high fit respond to the individual product segment to which a customer belongs based on preferences. Messages with a low fit refer to one of the remaining product segments which were randomly assigned. Second, we compare the two prevalent methods of individualization, namely customization and personalization. Finally, we manipulate the content of the message to compare lifestyle marketing product recommendations.

5.1 Method

Participants. We used two groups of participants to analyze the effects of the individualization method. While customization relies on self-stated preferences, personalization infers these preferences from other data (Arora et al. 2008). For the customization condition, we included all 3,022 customers that had participated in the customization task in study 2. For the personalization condition, we extracted the loyalty card data for another randomly chosen subset of 10’629 customers who had not taken part in our initial survey. This additional dataset included 37,168 transactions from 1,519 different products. We then applied the trained machine learning algorithm from study 2 to this additional dataset. Based only on their purchase histories and demographic profiles, our algorithm could predict the furniture style segment for 8,051 (76%) of those additional customers. Participants from both groups were then randomly assigned to conditions for individualization (fit vs. non-fit) and content (lifestyle content vs. product recommendations). For our analyses, we excluded all recipients who did not open the manipulated newsletter. Therefore, our final sample includes 3,266 participants, of which 2,107 had participated in the customization task in study 2. Most participants were female (83%) and the median age was 41 years.

Content treatment. Based on the descriptive results of study 1, we constructed different versions of an email newsletter. For each of the nine lifestyle segments, we created one newsletter version focusing on lifestyle content and another one focusing on concrete product recommendations for a total of 18 different newsletters versions. We based all versions on the regular newsletter that was planned for this particular
week and manipulated the introduction, which consisted of a title, an image, and a short text. In collaboration with the retailers’ experts, we chose an image for each lifestyle segment that showed a typical product combination for the associated furniture style. To prevent confounding biases, these images were identical for the lifestyle content and product recommendation versions. The texts of product recommendations and lifestyle content also had the same structure and length in which only certain keywords were replaced in line with the treatment. Specifically, product recommendations highlighted individual products, whereas the lifestyle content focused on values in life and lifestyle activities, both in relation to the specific product segment. We collaborated with the retailer’s marketing agency to adapt the wording of our manipulations to the corporate language of the retailer. After this manipulation, standard newsletter content followed including information about prolonged opening hours, price promotions, and special events, which was identical for all conditions.

Procedure. Eleven weeks after study 2, we sent out the manipulated newsletters to participants according to their customized (self-assigned) or personalized (inferred) furniture style and the experimental condition. For example, participants in the customization condition that were assigned to the fitting lifestyle content condition received a newsletter that focused on values and lifestyle activities (lifestyle content) in line with their self-stated furniture style (fit). In contrast, participants in the non-fit, product recommendation condition received a newsletter that was in line with one of the other eight lifestyle segments (non-fit) and focused on particular product combinations (product recommendations). The manipulated newsletter replaced the regular newsletter that customers would have received normally during this week. We then tracked customers’ click rates within the newsletter and extracted their transaction histories over the ten following weeks from the retailer’s loyalty card database.

Dependent measures. In order to measure customer behavior along the entire customer journey, we constructed four dependent measures. First, we counted the number of clicks within the manipulated newsletter as an indicator of consumer responsiveness (Chatterjee, Hoffman, and Novak 2003). In total, each newsletter included 22 links on which participants could click to visit the retailer’s website and gain additional information on the different modules. Second, we coded whether each customer had made a purchase within the ten weeks following our manipulation as a binary measure based on customers’ transaction histories. Third, for those customers who made at least one purchase, we counted the number of products bought within the observation period. Finally, we analyzed customer spending, measured in Swiss francs, for each customer within these ten weeks.
5.2 Results

Modelling approach. In order to test our hypotheses, the dependent variables were subject to generalized linear model (GLM) estimations (McCullagh and Nelder 1989). The advantage of this modelling technique over classical linear models is its ability to estimate a variety of different response variable distribution in addition to the normal distribution. Generalized linear models take the following mathematical form

\[ g(Y|x) = \beta_0 + \sum_{i=1}^{p} \beta_i x_i + \epsilon \]

where \( Y \) is the dependent variable and \( g(.) \) is the link function used to estimate nonlinear relationships between the predictor and the dependent variables (Häubl and Trifts 2000; McCullagh and Nelder 1989). The set of predictors \( x = (x_1, \ldots, x_p) \) and the associated parameters (\( \beta_1, \ldots, \beta_p \)) then enter the equation linearly. We also included an intercept \( \beta_0 \) to account for unobserved factors. The error term is denoted as \( \epsilon \).

For the analysis of our data, we specified the set of predictors \( x \) as follows. First, we included effect coded (1 | -1) variables for individualization (fit vs. non-fit), content (lifestyle content vs. product recommendation), and method (customization vs. personalization) as predictors of our dependent variables. Second, we also included all second-order interaction terms as well as the third-order interaction between these predictors. Finally, we included individual baselines \( Y_{t-1} \) for each dependent measure to control for individual differences between customers and in an effort to increase the predictive validity of our models. We calculated these control variables based on customers’ behavior in the three months prior to our experiment. Specifically, for the number of clicks, we calculated the average number of clicks in opened newsletters within this baseline period. For the estimation of the purchase probability, we likewise included the number of purchase within these three months. Finally, for the number of products and customer spending, we summed the total number of products and customers’ total spending, respectively, over the same period. Thus,

\[ \sum_{i=1}^{p} \beta_i x_i = \beta_1 \text{Individualization} + \beta_2 \text{Content} + \beta_3 \text{Method} \\
+ \beta_4 (\text{Individ} \times \text{Content}) + \beta_5 (\text{Individ} \times \text{Method}) \\
+ \beta_6 (\text{Content} \times \text{Method}) + \beta_7 (\text{Individ} \times \text{Content} \times \text{Method}) \\
+ \beta_8 Y_{t-1} \]

Moreover, the dependent measures in our field experiment are not normally distributed. Specifically, two of our dependent measures, number of clicks and number
of products, are based on count data with no effective upper limit and are properly treated as following a Poisson distribution using a logarithmic link function \( g(Y | x) = \log(Y | x) \) (Häubl and Trifts 2000). Furthermore, purchase is measured as a binary variable and was modeled with a binomial distribution using a logit link function \( g(Y | x) = \log((Y | x) / (1 -(Y | x))) \). Finally, to normalize the distribution of customer spending, we used a log link after adding 1 to account for zero values and modelled the resulting variable as standard Gaussian, thus assuming a log-normal distribution (Dhar and Chang 2009).

The parameter estimates for all dependent variable which resulted from these analyses are reported in table D-3. We discuss the results for each dependent variable in turn.

### Table D-3
Results of general linear model estimation

<table>
<thead>
<tr>
<th>Dependent variable:</th>
<th>Number of clicks</th>
<th>Purchase probability</th>
<th>Number of products</th>
<th>Customer spending</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Poisson</td>
<td>logistic</td>
<td>Poisson</td>
<td>log-normal</td>
</tr>
<tr>
<td>Individualization (( \beta_1 ))</td>
<td>.070*</td>
<td>.063</td>
<td>-.001</td>
<td>.008</td>
</tr>
<tr>
<td>Content (( \beta_2 ))</td>
<td>-.096**</td>
<td>-.019</td>
<td>.009</td>
<td>.032</td>
</tr>
<tr>
<td>Method (( \beta_3 ))</td>
<td>.448***</td>
<td>.026</td>
<td>-.018*</td>
<td>.045</td>
</tr>
<tr>
<td>Individ. x Content (( \beta_4 ))</td>
<td>.033</td>
<td>.123**</td>
<td>.018*</td>
<td>.075†</td>
</tr>
<tr>
<td>Individ. x Method (( \beta_5 ))</td>
<td>.009</td>
<td>.003</td>
<td>-.021**</td>
<td>-.071</td>
</tr>
<tr>
<td>Content x Method (( \beta_6 ))</td>
<td>.072*</td>
<td>-.028</td>
<td>-.022**</td>
<td>-.102*</td>
</tr>
<tr>
<td>Individ. x Content x Method (( \beta_7 ))</td>
<td>-.040</td>
<td>-.029</td>
<td>.007</td>
<td>-.048</td>
</tr>
<tr>
<td>Clicks(_t) (( \beta_8 ))</td>
<td>.301***</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases(_t) (( \beta_8 ))</td>
<td></td>
<td>.582***</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products(_t) (( \beta_8 ))</td>
<td></td>
<td></td>
<td>.011***</td>
<td></td>
</tr>
<tr>
<td>LogSales(_t) (( \beta_8 ))</td>
<td></td>
<td></td>
<td></td>
<td>.165***</td>
</tr>
<tr>
<td>Constant (( \beta_0 ))</td>
<td>-1.032***</td>
<td>-.644***</td>
<td>2.471***</td>
<td>4.027***</td>
</tr>
</tbody>
</table>

|                     |                   |                     |                   |                  |
| Observations       | 3,185            | 3,266                | 1,610             | 3,266            |
| Log Likelihood     | -3,158           | -2,071               | -10,103           | -22,479          |
| Akaike Inf. Crit.  | 6,333            | 4,159                | 20,225            | 44,976           |
| Bayesian Inf. Crit. | 6,388           | 4,214                | 20,273            | 45,037           |
| Nagelkerke’s R²    | 0.24             | 0.15                 | 0.43              | 0.028            |

\( ^{†} p < .10; ^{*} p < .05; ^{**} p < .01; ^{***} p < .001 \)

**Number of clicks.** In line with our hypotheses, the results of the generalized linear model estimation revealed main effects of individualization (H1, \( \beta_1 = .070, z = 2.03, p < .05 \)) and the method (H2, \( \beta_3 = .448, z = 13.06, p < .001 \)) on the number of clicks (see table D-3, column 1). Furthermore, we also found a significant main effect of content
(\(\beta_2 = -.096, \ z = 2.82, \ p < .01\)) as well as a significant interaction between content and method (\(\beta_6 = .072, \ z = 2.10, \ p < .05\)). More importantly, there was no significant interaction between individualization and content (\(\beta_4 = .033, \ z = .95, \ p = .34\)). Figure D-1 depicts the estimated group means based on these results. For customization, fit increased the number of clicks for lifestyle content (\(z = 1.84, \ p = .07\)) as well as product recommendations (\(z = 2.25, \ p < .05\)). For personalization, individualization also increased the number of clicks directionally for lifestyle content (\(z = 1.39, \ p = .16\)), but surprisingly not for product recommendations (\(z = .14, \ p = .88\)). Instead, participants in the personalization condition preferred non-fitting product recommendations over non-fitting lifestyle content (\(z = 2.52, \ p < .05\)). No other pairwise contrasts were significant. Overall, these results support our hypotheses H1 and H2.

![Figure D-1](image)

Estimated number of clicks per condition

Note: Number of clicks in baseline period is included as a covariate.

**Purchase probability.** The results of the GLM estimation for the purchase probability are reported in table D-3, column 2. As expected, we found a significant interaction between content and individualization (\(\beta_4 = .123, \ z = 3.16, \ p < .01\)). In line with the proposed specificity effect (H3a), customers in the personalization condition were more likely to make a purchase when they received individualized lifestyle content rather than individualized concrete product recommendations (\(z = 1.91, \ p = .06\), see fig. D-2). Although supported directionally, this effect was not significant for customization (\(z = .77, \ p = .44\)).
The novelty effect (H4a) proposes that participants who receive non-fitting product recommendations are more likely to make a purchase than those receiving non-fitting lifestyle content. Our results support this hypothesis for customization ($z = 2.01$, $p < .05$) and directionally for personalization ($z = 1.55$, $p = .12$). In sum, individualization of lifestyle content through customization ($z = 2.43$, $p < .05$) and personalization ($z = 2.40$, $p < .05$) both increased customers’ purchase probability, while neither individualization of product recommendations through customization ($z = .43$, $p = .66$) nor personalization ($z = 1.04$, $p = .30$) had any significant effect on the purchase probability.

**Figure D-2**
Estimated purchase probability per condition

![Estimated purchase probability per condition](image)

Note: Number of purchases in baseline period is included as a covariate.

**Number of products.** For participants who made at least one purchase within the observation period ($n = 1,610$), we evaluated the total number of products bought. In line with our theorizing, we found a significant interaction between individualization and the content of the message ($\beta_4 = .018$, $z = 2.47$, $p < .05$). Furthermore, the analysis also revealed a main effect of method ($\beta_3 = -.018$, $z = 2.47$, $p < .05$) and significant interactions between individualization and method ($\beta_5 = -.021$, $z = 2.90$, $p < .01$) as well as between content and method ($\beta_6 = -.022$, $z = 3.11$, $p < .01$). Planned contrasts revealed that individualized lifestyle content lead to a higher number of products bought than individualized product recommendations in support of the specificity
effect (H3a) for personalization ($z = 2.62, p < .01$) and directionally for customization ($z = 1.05, p = .30$, see fig. D-3). In line with the novelty effect (H4), customers who had participated in the customization task bought more products after receiving non-fitting product recommendations than after receiving non-fitting lifestyle content ($z = 3.18, p < .01$). However, in the personalization condition, customers directionally still preferred non-fitting lifestyle content over non-fitting product recommendations ($z = 1.18, p = .24$). In sum, individualization of lifestyle content through personalization increased the number of products bought ($z = 1.83, p = .07$), while individualization of lifestyle content through customization had no significant effect ($z = .58, p = .56$). In contrast, individualization of product recommendations had no effect in the case of personalization ($z = .30, p = .76$) and actually decreased the number of products bought in the case of customization ($z = 4.06, p < .001$).

**Figure D-3**

Estimated number of products purchased by condition

![Figure D-3](image-url)

Note: Number of products purchased in the baseline period is included as a covariate.

**Customer spending.** Finally, we analyzed the total amount spent by customers within the observation period. In line with our theory and previous results, our GLM estimation revealed a significant interaction between individualization and content ($\beta_i = .075, t(3257) = 1.69, p = .09$). As depicted in figure D-4, customers in the personalization condition spent more after receiving individualized lifestyle content than after receiving individualized product recommendations in line with H3c ($z = 2.66, p < .01$), but there was no significant difference for customers in the
customization condition ($z = .64, p = .52$). Furthermore, we found only modest support for the novelty effect (H4c) which predicts that customers spend more after receiving non-fitting product recommendations than after receiving non-fitting lifestyle content. This effect was directionally supported in the case of customization ($z = 1.45, p = .15$), but was not present in the case of personalization ($z = .09, p = .93$). In sum, only individualization of lifestyle content through personalization had a positive effect on customer spending ($z = 2.14, p < .05$), while there was no effect for customization ($z = .50, p = .62$). In contrast, individualization of product recommendations had no effect for personalization ($z = .37, p = .71$) and even showed a directionally detrimental effect for customization ($z = 1.43, p = .15$).

**Figure D-4**
Estimated customer spending per condition

![Graph showing estimated customer spending per condition](image)

Note: Customer spending in the baseline period is included as a covariate.

### 5.3 Discussion

The results of study 3 provide insights into the effects of individualized lifestyle marketing on click rates and purchase behavior. As expected, we find that individualization of lifestyle content increases click rates similarly to individualization of product recommendations (H1). Furthermore, our results support that customization generally leads to higher click rates than personalization (H2). However, the effects on purchase behavior are more complex. As expected, we find significant interactions
between individualization and the content of the message (lifestyle content vs. product recommendations) for customers’ purchase probabilities, number of products bought, and customer spending. However, the magnitude of the proposed effects of specificity (H3) and novelty (H4) seem to depend on the method of individualization. Generally, we find that the specificity effect is stronger for personalization than for customization, while the inverse is true for the novelty effect. One possible explanation for this surprising finding might be that customers who participated in the customization task might have stronger preferences and better insights into their own preferences for two reasons. First, the self-selection of participants for the customization condition means that those participants most likely have higher product involvement and, thus, knowledge. Second, the mere participation in the customization task could have lead customers to construct and realize their own preferences (Bettman, Luce, and Payne 1998). Consequently, the specificity effect might be less pronounced in the case of customization, because these customers already know - and maybe own - a wide range of products, thus getting little inspiration from individualized lifestyle messages. On the other hand, the effect of novelty might be stronger for this group, since discovering new products outside their usual consideration set might be rare, yet highly valued because of a high product involvement. In sum, this study generally supports our hypotheses, but also opens avenues for further research.

6 General Discussion

With this research, we conceptualize and explore a new type of one-to-one marketing using lifestyle content. In comparison to traditional product recommendations, individualized lifestyle marketing addresses customers on a more abstract level based on their personal values and lifestyle activities. We report on three studies that explore this new form of one-to-one marketing in a field setting and in collaboration with a large furniture retailer. In study 1, we describe nine lifestyle segments that are defined by different furniture styles and profile each segment in terms of demographics, values in life, and lifestyle activities. In line with prior literature (Holt 1997; Levy 1963), we find evidence for a relationship between customers’ lifestyles and the furniture they choose to own. In study 2, we test the ability to predict these nine lifestyle segments based on customers’ demographics and prior purchases through the use of machine learning. Our results indicate that machine learning algorithms can infer furniture styles from sparse customer data with a substantially higher accuracy than our baseline model or chance. Finally, study 3 tests
the effects of individualized lifestyle marketing in comparison to product recommendations on click rates as well as purchase behavior. We find that a fit to customers’ preferences increases click rates for both lifestyle content and product recommendations, but that the effects on purchase behavior differ between lifestyle content and product recommendations. These findings have potential implications for theory and managerial practice.

6.1 Theoretical Contribution

Our research adds to the targeting and individualization literature in marketing in three ways. First, we offer a conceptualization of individualized lifestyle marketing by integrating the theory of lifestyle segmentation (Alpert and Gatty 1969; Levy 1963; Mitchell 1984) with literature on one-to-one marketing (Ansari and Mela 2003; Arora et al. 2008). While lifestyle segmentation aims to identify the most promising target segments and consequently focuses marketing activities on these segments, individualized lifestyle marketing uses the methods of one-to-one marketing to adapt marketing communication to the lifestyle of each customer within the entire customer base. In contrast to product recommendations that are traditionally used in one-to-one marketing, individualized lifestyle marketing uses content that is more abstract. Therefore, we propose individualized lifestyle marketing as a new approach to one-to-one marketing.

Second, the results from study 3 suggest that positive effects from individualization on click rates may not necessarily translate into higher purchase probability, number of products bought, and customer spending. Instead, we find significant interactions with the content of the individualized message. While individualization of lifestyle content generally leads to beneficial results, product recommendations that do not fit customers’ preferences can sometimes outperform individualized product recommendations. More research is needed on the link between click-through rates and purchase behavior in one-to-one marketing.

Finally, we propose two effects to explain the hypothesized interaction between the content and the fit of individualized messages. The specificity effect is based conceptually on goal-systems theory (Kruglanski et al. 2002) and shopping goal theory (Lee and Ariely 2006). Accordingly, lifestyle content is less specific than product recommendations and may thus activate consumers to consider a larger set of products, which may lead to intensified purchase behavior if the individualized message fits consumers’ preferences. However, if the individualized message does not fit
consumers’ preferences, lifestyle content may be ignored or even lead to negative reactance. In this case, more specific product recommendations may benefit from a novelty effect, because the recommended products are outside customers’ usual consideration sets and inspire more new product ideas. Our results suggest that the strength of these effects depends on the method of individualization.

6.2 Managerial Implications

Based on the results of this field experiment and subsequent discussions with the management of the collaborating retailer, we can offer several implications for managerial practice. First, marketing managers should consider the potential of individualized lifestyle marketing. By integrating techniques from traditional lifestyle segmentation with modern one-to-one marketing, individualized lifestyle marketing represents a new tool for marketing managers to address customers. The results from our field experiment suggest that individualization of lifestyle content may have positive effects on click rates as well as purchase behavior.

Second, our results suggest that companies can use machine learning algorithms to personalize lifestyle content. As demonstrated in study 2, even a relatively simple algorithm substantially increased the accuracy with which customers’ lifestyle segment are predicted. Investing in better algorithms and additional data sources for the prediction may results in better performance, thus enabling companies to address a wider range of target customers. However, companies have to carefully evaluate the advantages and costs of using either personalization or customization. The results from study 3 might provide a first starting point for such an evaluation.

Third, the design of our studies can be used as a guideline for a possible implementation of individualized lifestyle marketing. The first step is the definition of distinct lifestyle segments (study 1). This data can be gathered through traditional market research without the need to involve actual customers. Then, information about preferences and lifestyles of actual customers has to be gathered (study 2). If a firm opts for a customization approach, a majority of customers need to participate in this step. However, if the firm opts for a personalization approach, only a (representative) subset of customers is needed and machine learning can be used to infer the lifestyle segment for all remaining customers. Finally, the firm needs to create a different lifestyle message for each segment and send the appropriate message to each individual customer (study 3). In practice, this might require a dedicated IT system.
which keeps track of each customer’s lifestyle segment and also updates the segment as new data (e.g., product purchases) become available.

Finally, our research also implies a cautionary note for companies using any form of one-to-one marketing. As the results of study 3 suggest, increases in click rates do not always translate into positive effects on actual purchase behavior. For example, individualization of product recommendations through customization increased customers’ click rate, but had no effect on purchase probability and even decreased the number of products bought. Therefore, companies need to analyze actual purchase behavior in addition to mere click rates when aiming to optimize their one-to-one marketing activities.

6.3 Limitations and Directions for Future Research

Our research represents a first step to explore individualized lifestyle marketing. However, further research is needed to understand the implications of this new approach to one-to-one marketing for theory and practice.

First, our field experiment covers only one specific industry. Although we expect the results to hold in other industries as well, furniture retailing might be especially suited for the communication of lifestyle content. Future research could extend our research by replicating its findings in other industries and examining potential boundary conditions of individualized lifestyle marketing. These might include the presence of distinct lifestyle segments and the strength of associations between retailers and specific lifestyle segment. For example, strong lifestyle brands might find it difficult to communicate authentically to other lifestyle segments beyond their core segment.

Second, future research is needed on the different channels of individualization. Our research focuses on email newsletters as a medium for individualized messages. However, new technological advances, such as the ubiquity of smartphones and the introduction of new wearable devices, create new opportunities for retailers to communicate with their customers throughout the decision journey (Edelman 2010). Individualized lifestyle marketing may also be applicable to in-store and mobile marketing and more research is needed on these emerging technologies. For example, scholars could explore how the proximity of these new media channels to the purchase decision moderates the effects of individualized lifestyle marketing.

Third, due to practical limitations within our field experiment, the allocation to either the customization or the personalization group in study 3 relied on customers’
willingness to participate in the initial survey (study 2) and is prone to self-selection. Therefore, we are not able to distinguish whether the observed differences between these two groups are driven by prior differences between participants (e.g., involvement, product knowledge), or may be an effect of the participation itself due to construed preferences (Bettman, Luce, and Payne 1998). Therefore, further studies could clarify the origin of the observed effects.

Finally, our field experiment is based on nine predefined furniture styles which were adapted from the cooperating retailer. Future research could explore the possibility to optimize the categorization of such style segments in order to maximize the effect of individualized lifestyle marketing. For example, a dynamic allocation of customers to these segments could be used to periodically update the style categories.

In conclusion, individualized lifestyle marketing represents a new tool within one-to-one marketing. It offers not only a new way to inspire customers for marketing managers, but also contributes to marketing theory and opens various avenues for future research.
References


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