

Are innovative consumers prone to imitation perception?

Developing a constructivist innovativeness model of imitation perception

Abstract

Global firms desire to see that consumers perceive their firm and brands innovative. Firms may claim that they are innovative and may blame their competitor(s) to be imitative. But how do innovative consumers see this claim? Are they sensitive to imitation? Responding to this gap, the on-going present study investigates whether and how consumer innovativeness influences imitation perception and subsequently innovativeness perception of the firm. The present study particularly intends to theorize the innovativeness perspective of imitation perception. The study used a two-route model and a survey with 334 respondents regarding two competing brands. Comparing the home and foreign brands, the results suggests that innovativeness influences imitation perception in the context of home brand users. Future study seeks to use a constructivist, two-route model of information processing and experiential.

Keywords: Consumer innovativeness; Imitation perception; Brand; SEM

Introduction

Global firms put huge innovation effort to thrive in severe current global competition. Despite the efforts, the real competition also takes place in consumer's mind because the position of the global firm and their product still depends on how consumers perceive them. Global firms desire to see that consumers perceive their firm and brands innovative, and do not want them to perceive their brand or product as an imitation to their competitor.

Interestingly practitioners have recently seen imitation as a part of innovation with its destructive and productive effects (Shaughnessy 2012). Imitation has been regarded to help set new trends through killing existing trends (ibid). Unsurprisingly this topic is hot among law and business observers and researchers. Firms may claim that they are innovative and may blame their competitor(s) to be imitative. But how do innovative consumers see this claim? Are they sensitive to imitation?

Imagine an individual is innovative in that s/he has been leading in information and purchase of new product of brand of interest. Being eager to be updated, s/he is likely to hear and find information about imitation of the new product of interest. Likely s/he may read a news that his or her brand has imitated a competing brand. Would s/he pay attention to this news?

Consumer innovators have a strong impact on consumer society as trendsetters (Shoham & Ruvio, 2008). Investigating how consumer innovativeness interacts with perceived imitation opens opportunities to advance innovative consumer perception theory and to comprehend how brand managers should manage their brand in relation to their innovative consumers.

Literature and Modeling

There has been quite a few research on consumer innovativeness, for example regarding the dispositional conceptualization (Goldsmith and Hofacker 1991), the overt behaviour categorization (Roger 2003), the experiential aspect and switching behaviour (Aroean 2012), and the perception perspective (Lowe and Alpert 2015). Similarly, imitation has been a growing research interest, for example in relation to corporate strategy (Zhou 2006; Lee and Zhou 2012), imitation category (Grahovac and Miller, 2009), and consumer reaction to imitation (Warlop and Alba 2004; Shenkar, 2010). Despite the importance of innovative consumers and imitation perception nowadays, unfortunately the literature gives neither explanation on how innovative consumers perceive imitation, nor an existing model on how this phenomenon operates. Responding to this gap, the on-going present study investigates whether and how consumer innovativeness influences imitation perception and subsequently innovativeness perception of the firm. The present study aims to advance the theories of consumer perception and consumer innovativeness through developing two models, testing

the first one and conceptualizing the second. Employing a constructivist perception modeling approach, the present study particularly intends to theorize the innovativeness perspective of imitation perception.

Model 1

Model 1 aims to examine the impact of consumer innovativeness towards two competing perceptions (routes), perceived imitation (negative) versus perceived quality (positive). This two-route model, besides examining the direct link between innovativeness and imitation perception, provides an initial contrast between the two routes.

Consumer innovativeness reflects seeking information of innovation and actualised early purchase of innovation (Goldsmith and Hofacker 1991; Aroean and Michaelidou 2014). The profound tendency to seek innovation information suggests that innovative consumers are early to know when the innovation of a brand of interest has something to do with imitating another, competing brand. Theoretically, being innovative, or more precisely being knowledgeable on innovation information positively accommodates perceiving imitation when related imitation information emerges. Hence,

H1: Consumer innovativeness positively elicits perceived imitation

Innovativeness denotes openness and willingness to new expectation, which includes new, better quality of an innovation. Hence, being innovative tends to have a positive quality perception.

H2: Consumer innovativeness positively influences perceived quality

Perceiving a product or brand as imitative should negate the perception of the innovativeness of the corresponding firm. Hence,

H3: Perceived imitation negatively influences perceived firm innovativeness.

When a consumer perceives a product innovation comes with a quality, s/he tends to perceive the firm as innovative. Hence,

H4: Perceived quality positively influences perceived firm innovativeness

Research Methods

Amid the imitation claim rivalry between Apple and Samsung, the study investigates the state-of-art of the perceived imitation and perceived firm innovativeness within US consumers' mind. Taking the two competing global firms also gives an opportunity to compare how a home brand (iPhone) position itself against a foreign brand (Samsung Galaxy) among US consumers. The study collected the data through an online survey and netted 174 iPhone and 160 Samsung completed responses.

Measurement

The study utilised multiple-item scales, with all but one was adapted from previously validated scales. All scales used a seven-point Likert scale from strongly disagree (1) and strongly agree (7). The scale measuring consumer innovativeness (Innov) adopted the one developed by Goldsmith and Hofacker (1991). The scale for perceived imitation (PImit) adopted the one developed by van Horen and Pieters (2012; 2013). The scale measuring product quality of the brand smartphone (PQual) adopted the one developed by. The scale for perceived firm innovativeness (PFI) adopted the one developed by Kunz, et al. (2011). The data analysis used SPSS 22 and AMOS 22 to test the hypotheses.

Results and Discussion

Measurement Model Assessment: Reliability and Validity

All the measurement scales has good internal validity with Cronbach's alpha beyond 0.7 and composite reliability beyond 0.7 (Fornell and Larcker, 1981). The study executed CFA (confirmatory factor analysis) and evaluate the convergent and discriminant validity of each construct (Bagozzi and Yi, 2012). Each of measurement items has good standardized loading

exceeding .7, except two innovativeness items, Innov1 and Innov6, which have .56 and .61. However, as previous research has shown these measures to be reliable in other research settings (e.g. Aroean 2012; Aroean and Michaelidou 2014), the items were kept in the analysis. All constructs shows a good convergent validity by having an AVE higher than 0.5. All constructs have a good discriminant validity with the square root of AVE for each construct was higher than all corresponding correlations (Fornell and Larcker 1981).

Table 1 – Discriminant and Convergent Validity

Overall	CR	AVE	PQual	PFI	Innov	PImit
PQual	0.899	0.749	0.866			
PFI	0.925	0.637	0.586	0.798		
Innov	0.870	0.532	0.284	0.081	0.729	
PImit	0.897	0.744	-0.191	-0.280	0.033	0.863

Table 2 Structural Coefficients

Dataset	Innov-PImit	Innov-PQual	PImit-PFI	PQual-PFI
Overall, n=334	0.03 ^{ns}	.28 ^{**}	-0.19 ^{***}	0.56 ^{***}

χ^2 (148) = 384.02, TLI= 0.932, CFI= 0.942, RMSEA= 0.069, SRMR= 0.072;

*** p<.001; ** p<.01; * p<.05; ns=non-significant

Table 2 show that all hypotheses were supported except H1. The imitation route does not operate as expected, and the quality route exists quite strongly. Hence, at overall data set, innovative consumers are not prone or sensitive to imitation perception, but sensitive to quality. This finding is interesting and simultaneously intriguing, and encourages a further analysis to unveil what has happened, i.e. whether brand has a moderating effect.

Ad-hoc Moderation Analysis

CFA was run for each brand data set and the results in both brands demonstrate a good data fit: Samsung: χ^2 (146) = 264.66, TLI= 0.927, CFI= 0.938, RMSEA= 0.071, SRMR= 0.059;

iPhone: χ^2 (146) = 279.99, TLI= 0.929, CFI= 0.940, RMSEA= 0.073, SRMR= 0.0692;

The measurement model assessment shows good reliability for each scale (Cronbach's alpha > 0.7 and CR >0.7), and good discriminant and convergent validity, shown in Table 3.

Table 3 – Discriminant and Convergent Validity – Samsung and iPhone

Samsung	CR	AVE	PQual	PFI	Innov	PImit
PQual	0.871	0.695	0.833			
PFI	0.916	0.611	0.639	0.782		
Innov	0.882	0.557	0.297	0.165	0.747	
PImit	0.909	0.770	-0.362	-0.338	-0.152	0.877
iPhone	CR	AVE	PQual	PFI	Innov	PImit
PQual	0.923	0.799	0.894			
PFI	0.933	0.668	0.545	0.817		
Innov	0.863	0.520	0.279	0.028	0.721	
PImit	0.886	0.723	-0.066	-0.232	0.208	0.850

Table 4 Invariance Test Samsung v iPhone

Model	Description	χ^2	df	$\Delta\chi^2$	Δ df	p-val	Conclusion	TLI	RMSEA
1	Unconstrained	567.52	296					0.925	0.052
2	Measurement model								
	A. Equal factor loadings	589.52	311	22.01	15	0.108	retained	0.926	0.052
3	Structural model								

Model	Description	χ^2	df	$\Delta\chi^2$	Δ df	p-val	Conclusion	TLI	RMSEA
	A. Model 2A with all paths constrained	599.02	315	31.5	19	0.036	Non-invariance	0.925	0.052
	B. Model 2A with Innov - PImit constrained	597.83	312	30.3	16	0.016	Innov-PImit free	0.924	0.053
	C. Model 2A with Innov - PQual constrained	589.52	312	22	16	0.143	retained	0.926	0.052
	D. Model 3C with PQual - PFI constrained	590.57	313	23.1	17	0.147	retained	0.926	0.052
	E. Model 3D with PImit - PFI constrained	590.70	314	23.2	18	0.184	retained	0.927	0.052

Table 5 Structural Coefficients – Model 3E

Dataset	Innov-PImit	Innov-PQual	PImit-PFI	PQual-PFI
Samsung, n=160	-0.16 ^{ns}	0.30 ^{***}	-0.15 [*]	0.60 ^{***}
iPhone, n=174	0.21 [*]	0.27 ^{**}	-0.21 ^{**}	0.54 ^{***}

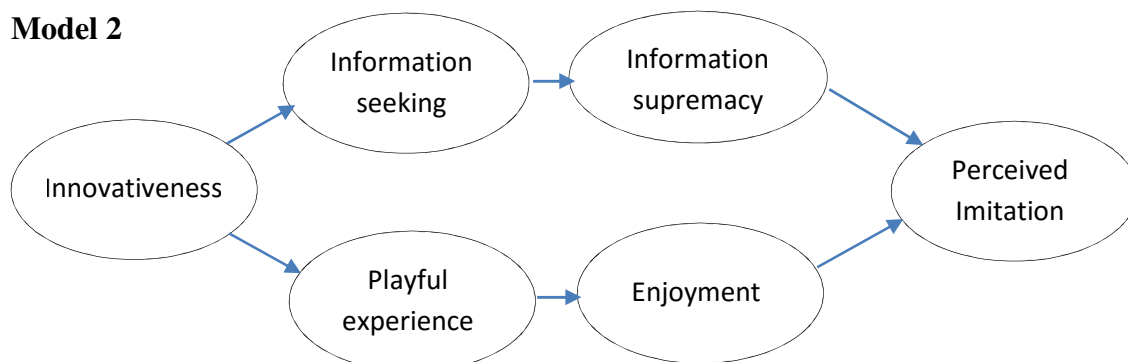
Model fit: chi-sq=590.70; df=314, RMSEA=.052, SRMR=.08, CFI=.933, TLI=.927

Tables 2, 4 and 5 reveal a contrast between overall, Samsung and iPhone users. At overall data (Samsung and iPhone) there is no significant impact of consumer innovativeness to perceived imitation. In other words, imitation route does not operate. However, imitation route exists for iPhone users, but not for Samsung users. More innovative Samsung users tend to be neutral that Samsung imitates another leading brand. On the other side, more innovative iPhone users tend to agree more that iPhone imitates another leading brand. Up to this point, more innovative US consumers tend to be more sensitive to imitation of their home brand, and less sensitive to foreign brand. Put them into theory, *innovativeness perspective of imitation perception operates in the context of home brand consumers*. An implication of the finding is that for home brand consumers, being more innovativeness might indicate less ethnocentrism. Also, for foreign brand consumers, being more innovative might correlate to being more cosmopolitan.

Further study

Tables 4 and 5 clearly suggests a further investigation on the path between consumer innovativeness and consumer perceived imitation (Innov – PImit). In doing this, the authors intend to do a further study through a model that examines deeper the link between the two constructs. The model adopts the indirect perception theory, particularly the constructivism approach, because it endorses that imitation perception is constructed over time as a highly active process of extracting stimuli, their evaluation, interpretation and backward organization of external stimulus (Demuth et al 2013). With perception regarded as the outcome between external reality and internal processes, the model signifies two routes of making sense of external information in comparison to internal-experiential-ization of external stimulus.

Model 2



Model 2 accommodates two constructing routes: Information processing, as a process of making sense of external reality and is regarded as cognitive behaviour; and experiencing enjoyment as an internalization of external stimuli and is regarded as cognitive-emotive behaviour.

References

References available upon request